



**MHLONTLO LOCAL MUNICIPALITY**

**TENDER DOCUMENT FOR TRAINING OF FOOD TECHNOLOGY PERIOD OF ONE  
MONTH**

**BID NOTICE NO: TFT/LEDPARD1/MLML-2022/2023**

Issued by: The Municipal Manager  
MHLONTLO LOCAL MUNICIPALITY

P.O. BOX 31

QUMBU

5180

96 General Mabindla Street

QUMBU

5180

Tel: +27(047) 553 7000

Fax; +27(047) 553 0189

**CSD NO.** \_\_\_\_\_ **SARS PIN** \_\_\_\_\_

**NAME OF BIDDER:** \_\_\_\_\_

**TENDER AMOUNT:** \_\_\_\_\_

**BBBEE LEVEL:** \_\_\_\_\_



## **1. RE ADVERTISEMENT**

<b>PROJECT NAME</b>	<b>CONTRACT NUMBER</b>	<b>ADVERT DATE</b>	<b>CLOSING DATE</b>
Training of Food Technology Period of one month	TFT/LEDPARD1/MLML-2022/2023	<b>20 April 2023</b>	<b>11 May 2023</b> <b>12:00 PM</b>

Mhlontlo Local Municipality is requesting quotations from suitable qualified service providers for Training of food Technology period of one month.

Tender document will be available on the Mhlontlo Website [www.mhlontloim.gov.za](http://www.mhlontloim.gov.za) website and Etender portal [www.tenders.gov.za](http://www.tenders.gov.za)

## **2. Terms of Reference for Food Technology Training**

### **Background**

The project is targeting ten (10) businesses that have been identified through the assessment evaluation criteria usually conducted by the LED office when businesses are offering services to the municipality. The service provider is expected to use a fully furnished kitchen with equipment for the training purposes or hire a fully furnished kitchen with equipment within Mhlontlo Jurisdiction. The service is required from Monday to Friday for a duration of one (1) month. The training will include baking and confectioners, beverage manufacturing, manufacturer of food preparation products and processed and preserved meat, fish and vegetables.

### **The Service Provider is required to provide the following:**

- Training Hall
- Mop hats for 10 trainees
- 10 branded Aprons
- Convectional or Industrial ovens
- Fridge

- Cardboard
- Cutlery
- Crockery
- Pots
- Knives
- Chopping boards
- Gloves for the 10 trainees
- 2 Stoves

### **Objectives**

The specific objective is to provide a means of sharing information and developing common approaches to enhance the effectiveness of risk management of food allergens, healthy and nutritious food quality, with the objective of supporting businesses to make safer food choices.

To ensure that the catering is provided in a manner that is consistent and uniform by the Mhlontlo Businesses.

### **Criteria for implementation**

- Certificate in Food Technology and certificate in professional baking.
- The service provider to provide training modules for all the trainees.
- The service provider must have a letter of good standing from the Department of Labour.
- The service provider should provide a stipend of R1500 for 10 participants for a period of one month.
- Businesses should be able to produce healthy and nutritious food that can be sellable to food outlets.

- In terms of the Food staff Cosmetic and Disinfectant Act with regulation R638 (54 of 1972), food must be presented at an appropriate temperature for safety and eating quality.
- The service provider should provide certificates of attendance for the participants.
- The service provider shall ensure that at least 50% of the monetary value of the food purchased during the course of the training is sourced from the surrounding areas of OR Tambo District Municipality.
- It is expected that the service provider will cooperate with the municipality during the course of the contract to provide such services to develop and improve the services to meet the changing needs.

#### **Criteria for appointment**

1. Clear methodology with time frames – 20 points
2. Certificate in Food Technology and certificate in professional baking – 20 points
3. Three (3) years' experience catering for a minimum of 100 VIPs – 20 points.
4. Letters of reference from three (3) institutions that the company has been appointed in this industry – 20 points
5. Own transport availability – 20 points

#### **UNITS STANDARDS FOR FOOD TECHNOLOGY**

Core	<a href="#">12514</a>	Maintain personal hygiene, health and presentation	Level 1	NQF Level 01	4
Fundamental	<a href="#">7812</a>	Perform basic calculations	Level 2	NQF Level 02	3
Elective	<a href="#">10009</a>	Demonstrate the ability to start and run a business and adapt to a changing business environment	Level 1	NQF Level 01	3

Elective	<a href="#">7748</a>	Handle and store food	Level 2	NQF Level 02	2
Elective	<a href="#">7697</a>	Prepare and bake food	Level 2	NQF Level 02	1
Elective	<a href="#">7809</a>	Prepare and cook basic fruit dishes	Level 2	NQF Level 02	2
Elective	<a href="#">7762</a>	Prepare and cook basic rice dishes	Level 2	NQF Level 02	2
Elective	<a href="#">7811</a>	Prepare and cook basic vegetable protein dishes	Level 2	NQF Level 02	1
Elective	<a href="#">7678</a>	Prepare and cook battered fish and chipped potatoes	Level 2	NQF Level 02	1
Elective	<a href="#">7810</a>	Prepare and cook starch	Level 2	NQF Level 02	1
Elective	<a href="#">7808</a>	Prepare and cook vegetables for basic hot and cold dishes	Level 2	NQF Level 02	2
Elective	<a href="#">7665</a>	Prepare and grill food	Level 2	NQF Level 02	1
Elective	<a href="#">7659</a>	Prepare fruit for hot and cold dishes	Level 2	NQF Level 02	1
Elective	<a href="#">7660</a>	Prepare vegetables for hot and cold dishes	Level 2	NQF Level 02	2
Elective	<a href="#">7677</a>	Prepare, cook and assemble food for quick service	Level 2	NQF Level 02	2

### 3. Availability of Funds.

Funds are available from Equitable Share.

### 4. Points Allocation

Preferential Procurement Policy Framework Act points will be awarded as follows

Price	80 points
Specific goals	20 points
Total	100 points

#### **5. DURATION FOR CLOSING DATE AND TIME**

Closing date will be 11/05/2023 at 12:00 PM in Qumbu foyer.

#### **6. SUPPORTING DOCUMENTS NEEDED.**

1. Central Supplier Database number
2. Tenderers must submit certified copy for B-BBEE certificate and must be **SWORN affidavit/SANAS accredited**
3. Proof of Municipal rates, not later than one month/ lease agreement if you are tenant
4. SARS Tax compliance status pin.
5. All MBDs Must signed by company directors
6. Quotation with your letter head or business stamp.

Bids in a sealed envelope clearly marked "NUMBER (TFT/LEDPARD1/MLML-2022/2023)" and "PROJECT NAME (Training of food technology period of one month) must be placed in the tender box at the reception, Mhlontlo Local Municipality, on the closing date at 96 Mabindla Street, Qumbu 5180 on or before 12:00pm on the closing date where after bids will be opened in public.

Failure to supply all supplementary information may result in the tender being deemed an incomplete tender and may not be considered forward.

#### **7. CONDITIONS OF THE TENDER**

- Mhlontlo Local Municipality Supply Chain Policy Management will apply.
- The Council is not bound to accept the lowest or any tender and or part thereof and the Council reserves the right to accept any tender in whole or in part.
- All electronic, telegraphic, telefax, e-mail and late tenders will not be considered and tenders not deposited in the tender box as prescribe in this notice will not be considered as well.

- Mhlontlo local Municipality does not bind itself to accept the lowest proposal.

## 8. METHOD OF PROCUREMENT

It should be competitive bidding because of budgeted amount.

## 9. Evaluation Criteria

Received Responsive bids will be evaluated based on the following:

- Stage 1- Functionality
- Stage 2- Price and Specific goals

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

The Maximum points for this bid are allocated as followed

	<b>Means of verification</b>	<b>Points allocation</b>
<b>HDI -Equity ownership</b>	the municipality is going to use RACE OR NATIONALITY as means of verification and thus prospective service providers will be required to provide a copy of <b>ID COPY</b> as a proof in order to claim points for specific goals	6
<b>Youth-Enterprise 18-35 years (MLM)</b>	the municipality is going to use AGE as means of verification and thus prospective service providers will be required to provide a copy of <b>ID COPY AND CSD</b> as a proof in order to claim points for specific goals	6
<b>Women-Equity ownership</b>	the municipality is going to use GENDER OR SEX as means of verification and thus prospective service providers will be required to provide a copy of <b>ID COPY, CK and CSD</b> as a proof in order to claim points for specific goals	4

<b>Disability-Equity ownership</b>	the municipality is going to use <b>MEDICAL CERTIFICATE</b> as means of verification and thus prospective service providers will be required to provide a copy <b>of MEDICAL CERTIFICATE</b> and <b>CSD</b> as a proof in order to claim points for specific goals	2
<b>Rural Enterprise</b>	the municipality is going to use <b>PROOF OF RESIDENCE FROM TRADITIONAL LEADER OR WARD COUNCILLOR OR</b> as means of verification and thus prospective service providers will be required to provide a copy of <b>PROOF OF RESIDENCE AND CSD</b> as a proof in order to claim points for specific goals	2

Failure of a bidder to submit proof of specific goals claimed will be interpreted to mean that preference points for specific goals are not claimed.

**9.1 FUNCTIONALITY ASSESSMENT:**

<b>CRITERIA</b>	<b>WEIGHT</b>	<b>MAXIMUM POSSIBLE SCORES</b>
<b>Experience:</b>		<b>40</b>
Three (3) years' experience catering for a minimum of 100 VIPs	<b>20</b>	
Letters of reference from three (3) institutions that the company has been appointed in this industry	<b>20</b>	
No Proof	<b>0</b>	



<b>Qualifications:</b>		<b>20</b>
Certificate in Food Technology and certificate in professional baking.	20	
<b>Own transport availability:</b>		<b>20</b>
Own transport/Availability of transport please attached proof of motor vehicles ownership	<b>20</b>	
Leasing of Transport please attach agreement with the lessor	<b>10</b>	
No Transport	<b>0</b>	
<b>Methodology:</b>		<b>20</b>
Clear methodology with time frames	20	
No time frames	0	
<b>Timeline</b>		
The service provider should clearly indicate the timeframe within which the project is going to take place which should not exceed a period of 30 days from the date of appointment.		
<b>Total</b>	<b>70</b>	<b>100</b>

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

10. **ENQUIRES Any** queries for further information relating to this advert must be directed to Ms B Mzileni Email [bmzileni@mhlntloim.gov.za](mailto:bmzileni@mhlntloim.gov.za) on 082 316 9995 on and SCM queries to be forwarded to Ms. B Jara email [bjara@mhlntloim.gov.za](mailto:bjara@mhlntloim.gov.za) tel 066 477 7147

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**MR L Ndabeni**

**MUNICIPAL MANAGER**

**INVITATION TO BID**

**MBD 1**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE MHLONTLO  
LOCAL MUNICIPALITY**

**BID NUMBER: TFT/LEDPARD1/MLML-2022/2023**

**CLOSING DATE: 11/05/2023**

**CLOSING TIME: 12:00 pm**

**DESCRIPTION: TRAINING OF FOOD TECHNOLOGY PERIOD OF ONE MONTH**

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**The successful bidder will be required to fill in and sign a written Contract Form (MBD 7).**

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**BID DOCUMENTS MAY BE POSTED TO:**

**MHLONTLO LOCAL MUNICIPALITY**

**P.O. BOX**

**QUMBU**

**5180**

**OR**

DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

**96 Mabindla Street**

**Qumbu**

**5180**

**Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.**

The bid box is generally open 24 hours a day, 7 days a week.

**ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)**

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

**NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)**

**THE FOLLOWING PARTICULARS MUST BE FURNISHED**  
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

NAME OF BIDDER.....

POSTAL ADDRESS.....

STREET ADDRESS.....

TELEPHONE NUMBER CODE.....NUMBER.....

CELLPHONE NUMBER.....

FACSIMILE NUMBER CODE..... NUMBER.....

E-MAIL ADDRESS.....

VAT REGISTRATION NUMBER.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? (MBD 2) YES/NO

HAS A 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 .....

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**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:**

**Municipality / Municipal Entity:** Mhlontlo Local Municipality

**Department:** Led

**Contact Person:** MS B Jara (SCM)

Tel: 047 553 7000

Fax: 047 553 0189

**ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:**

**Contact Person:** MS B Mzileni

Tel: 047 553 7000

Fax: 047 553 0189

**MBD 4**

## **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 and/or take an oath declaring his/her interest.

3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name: .....

3.2 Identity Number: .....

3.3 Company Registration Number: .....

3.4 Tax Reference Number: .....

3.5 VAT Registration Number: .....

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3.6 Are you presently in the service of the state\*

YES / NO

3.6.1 If so, furnish particulars.

.....

.....

3.7 Have you been in the service of the state for the past twelve months?

YES / NO

3.7.1 If so, furnish particulars.

.....

.....

3.8 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?

3.8.1 If so, furnish particulars.

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\* 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 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?

3.9.1 If so, furnish particulars

3.10 Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state?

YES / NO

3.10.1 If so, furnish particulars.....

.....

3.11 Are any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in service of the state?

YES / NO

3.11.1 If so, furnish particulars.....

.....

### CERTIFICATION

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

**CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.**

**I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder



**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT  
REGULATIONS 2022**

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

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**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to invitations to tender:

- 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 To be completed by the organ of state**

*(delete whichever is not applicable for this tender).*

The applicable preference point system for this tender is the 90/10 preference point system.

The applicable preference point system for this tender is the 80/20 preference point system.

Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

#### 1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
<b>TOTAL POINTS FOR PRICE AND SPECIFIC GOALS</b>	<b>100</b>

- 1.4 Failure of a bidder to submit proof of specific goals claimed will be interpreted to mean that preference points for specific goals 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

- (a) **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- (b) **“bid”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation and “bid” has a corresponding meaning
- (c) **“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;
- (d) **“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;
- (e) **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

- (f) **“EME”** means an Exempted Micro Enterprise as defines by Codes of Good Practice issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (g) **“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;
- (h) **“non-firm prices”** means all prices other than “firm” prices;
- (i) **“person”** includes a juristic person;
- (j) **“QSE”** means a Qualifying Small Enterprise as defines by Codes of Good Practice issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 ( Act No. 53 of 2003);
- (k) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of the tender invitation;
- (l) **“Reconstruction and Development Programme”** the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994;
- (m) **“specific goals”** means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994;
- (n) **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice; (o) **“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

- (p) **“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.
- (q) **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
- (r) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions.

## 2. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### POINTS AWARDED FOR PRICE

#### 3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

**80/20**

**or**

**90/10**

$$Ps = 80 \left( 1 - \frac{Pt - Pmin}{Pmin} \right) \text{ or } Ps = 90 \left( 1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

#### 3.1. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

### 3.1.1. POINTS AWARDED FOR PRICE

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

$$Ps = 80 \left( 1 + \frac{Pt - Pmax}{Pmax} \right) \text{ or } Ps = 90 \left( 1 + \frac{Pt - Pmax}{Pmax} \right)$$

Where

- Ps = Points scored for price of tender under consideration  
Pt = Price of tender under consideration  
Pmax = Price of highest acceptable tender

## 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

***(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.***

***Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)***

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system)  (To be completed by the organ of state)	Number of points allocated (80/20 system)  (To be completed by the organ of state)	Number of points claimed (90/10 system)  (To be completed by the tenderer)	Number of points claimed (80/20 system)  (To be completed by the tenderer)
Tender Price			90	80
HDI -Equity ownership			3 points	6 points
Youth-Enterprise 18-35 years (MLM)			3 points	6 points
Women-Equity ownership			2 points	4 points
Disability-Equity ownership			1 point	2 points
Rural Enterprise			1 point	2 points
SUB-TOTAL(Specific goals)			20	20
TOTAL			100	100

**DECLARATION WITH REGARD TO COMPANY/FIRM**

- 4.3. Name of company/firm.....
- 4.4. Company registration number: .....
- 4.5. TYPE OF COMPANY/ FIRM
- Partnership/Joint Venture / Consortium
  - One-person business/sole propriety
  - Close corporation
  - Public Company
  - Personal Liability Company
  - (Pty) Limited

- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

.....

**SIGNATURE(S) OF TENDERER(S)**

**SURNAME AND NAME:** .....

**DATE:** .....

**ADDRESS:** .....

.....

.....

## **DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT**

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x.

### **1. General Conditions**

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9.(1) and 9.(3) make provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Regulation 9.(3) prescribes that where there is no designated sector, a specific bidding condition may be included, that only locally produced services, works or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
- 1.4. Where necessary, for bids referred to in paragraphs 1.2 and 1.3 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.5. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.



- 1.6. The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows:

$$LC = 1 - \left( \frac{x}{y} \right) \times 100$$

Where

- x      imported content  
y      bid price excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid as required in paragraph 4.1 below.

- 1.7. A bid will be disqualified if:

- the bidder fails to achieve the stipulated minimum threshold for local production and content indicated in paragraph 3 below; and.
- this declaration certificate is not submitted as part of the bid documentation.

## 2. Definitions

- 2.1. **“bid”** includes advertised competitive bids, written price quotations or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).
- 2.6. **“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 its subcontractors) and which costs are inclusive of the costs

abroad, plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

- 2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **“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.
3. **The stipulated minimum threshold(s) for local production and content for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

4. Does any portion of the services, works or goods offered have any imported content? YES / NO

- 4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.6 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za).

Indicate the rate(s) of exchange against the appropriate currency in the table below:

Currency	Rates of exchange
----------	-------------------

US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID No.** .....

**ISSUED BY:** (Procurement Authority / Name of Municipality / Municipal Entity):  
.....

NB The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

I, the undersigned, ..... (full names),  
do hereby declare, in my capacity as .....  
of .....(name of bidder entity), the following:

(a) The facts contained herein are within my own personal knowledge.

(b) I have satisfied myself that the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286.

(c) The local content has been calculated using the formula given in clause 3 of SATS 1286, the rates of exchange indicated in paragraph 4.1 above and the following figures:

Bid price, excluding VAT (y)	R
Imported content (x)	R

Stipulated minimum threshold for Local content (paragraph 3 above)	
Local content % as calculated in terms of SATS 1286	

If the bid is for more than one product, a schedule of the local content by product shall be attached.

(d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286, may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

## MBD 8

### 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. willfully 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 of Restricted Suppliers as companies or persons 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 Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>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.</b></p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>

4.1.1	If so, furnish particulars:		
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><b>The Register for 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.</b></p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
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?	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
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?	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <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**

**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 (MBD 9) 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:

---

(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

## **MBD 9**

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.

<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.

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