



SOL PLAATJE MUNICIPALITY, KIMBERLEY

INVITATION FOR QUOTATIONS

Q128/2017:

A Service Provider to develop a business plan for the Sol Plaatje Fresh Produce Market (Kimberley)

SUPPLIER: _____

PHYSICAL TRADING OFFICE ADDRESS: _____

TEL NO: _____

CELL NO: _____

FAX NO: _____

EMAIL ADDRESS: _____

Prepared for :-
Sol Plaatje Municipality
Private Bag X5030
KIMBERLEY
8300

Prepared by: -
Acquisitioner: KEGO NTLANGWINI
Line Manager: Jemima Taku
Private Bag X5030
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8300

SOL PLAATJE MUNICIPALITY**INVITATION FOR QUOTATION**

Directorate: STRATEGY, ECONOMIC DEV & PLANNING

Contact Person: Jemima Taku

Section: Market

Telephone: 053 – 830 6662

Date: 24 May 2017Reference No. “Q128/2017”**Q128/2017:****A Service Provider to develop a business plan for the Sol Plaatje Fresh Produce Market (Kimberley)***Documents are obtainable from:**SCU Contract Department, Abattoir Road, Stores Complex (Opposite Security), Kimberley**Telephone: 053 830 6178/053 830 6180***INVITATION FOR QUOTATIONS FOR ORDERS
ABOVE R30 000 BUT LESS THAN R200 000****ANY QUOTE WILL NOT NECESSARILY BE ACCEPTED AND THE COUNCIL RESERVES
THE RIGHT TO ACCEPT THE WHOLE OR ANY PART OF ANY QUOTE****QUOTATIONS SUBMITTED WILL ONLY BE CONSIDERED: -****IF THE BIDDER HAS BEEN APPROVED ON THE CENTRAL SUPPLIER DATABASE (CSD) ON THE NATIONAL TREASURY'S WEBSITE (www.csd.gov.za);****COMPLETED AND SUBMITTED ALL DOCUMENTS AS PER LISTING CRITERIA IN THE ATTACHED DOCUMENT AND THE BIDDER COMPLIES WITH THE REQUIREMENTS OF THE ATTACHED MQD 2.****GENERAL CONDITIONS****QUOTATIONS MUST BE SUBMITTED USING THIS OFFICIAL QUOTATION FORM**

- (1) It must be stated that such envelope contains a bid and the contract reference number must appear on the envelope.
- (2) Bidders are required to confirm the status of their Municipal Rates and Service Accounts including the following in the bid document.
- (3) **A current to (30days) Municipal Rates and Service account with the PHYSICAL TRADING OFFICE ADDRESS** of the bidder or letters from Landlords supported by documents indicating that all accounts are in good standing and;
- (4) **LEASE AGREEMENTS** clearly stating who is responsible for the Municipal Rates and Service Account and supported by documents indicating that all accounts are in good standing **OR**;
- (5) **ACCOUNTS MUST** also be submitted in cases where the Owner/Director of the business also act as Landlord of the Business Property and submit a Lease Agreement. (See Listing Criteria and MBD 6.1 in this bid document.)
- (6) Bidders who fail to submit and prove that all relevant account are in good standing **WILL NOT** be considered. Such confirmation and supporting documents **MUST NOT BE OLDER THAN 30 DAYS**
- (7) Should a bidder fail to maintain this status after the contract is awarded; the Council may cancel this contract or make single or multiple deductions from any payment claims in terms of the contract to the amount equal to any outstanding amounts owed to the municipality. The bidder shall have no right whatsoever to claim damages resulting from such action.

Sealed quotations, outwardly marked: **“Q128/2017 A Service Provider to develop a business plan for the Sol Plaatje Fresh Produce Market (Kimberley), must be addressed to the *Municipal Manager* and placed in the: **Tender Box (Opposite Security), Abattoir Road, Municipal Stores Complex, Kimberley** not later than **11:00 on 05 June 2017.****

- (8) **Quotations will be opened in public in the SCU Boardroom, Abattoir Road, Municipal Stores Complex, Kimberley immediately after closing the same day.**
- (9) Invoices received before the last working day of each month will, as far as possible, be paid not later than the 15th day of the following month.

DELIVERY TIME _____

SETTLEMENT DISCOUNT ALLOWED _____% _____ DAYS

THESE QUOTED PRICE/S WILL HOLD GOOD UNTIL _____

NAME OF BIDDER _____

AUTHORISED BY THE BIDDER: PRINT NAME _____ SIGNATURE _____

NAME OF COMPANY: _____

POSTAL ADDRESS: _____

TELEPHONE NO. _____ FAX NO. _____

E-MAIL ADDRESS _____

TAX CLEARANCE CERTIFICATE REQUIREMENTS

TO AVOID DISQUALIFICATION this page (MQD2) MUST BE FULLY COMPLETED and signed by two witnesses.

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations. Bids will not be considered if these requirements are not met.

1. Previously a taxpayer (bidder) was required to submit a valid, original paper Tax Clearance Certificate (TCC), the tax payer/ bidder **MUST** now submit TAX COMPLIANCE STATUS PIN NO. Bids **WILL NOT be considered** if the correct PIN NO and Tax Reference Number are not included in this document
2. Applications for the Tax Clearance Certificates **MUST be made via eFiling**. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za or contact the SARS Contact Centre on 0800007277
3. The bidder (Name) Hereby grants Sol Plaatje Local Municipality
Permission to use the following TAX COMPLIANCE STATUS PIN NO
With reference to the following Tax reference Number.....
4. The bidder (Name) Hereby further grants SARS permission to disclose the bidders TAX COMPLIANCE STATUS to Sol Plaatje Local Municipality on an on-going basis during the Contract Term.
5. A bidder who appoints a Sub-Contractor / Joint Venture / Consortia to execute a portion of a contract (Sub-Contractor in excess of National Treasury threshold) must ensure that each appointment is TAX COMPLIANT and remains TAX COMPLIANT for the duration of the contract. Successful bidders must provide Sol Plaatje Local Municipality authority from their appointments confirming that SARS may, on an on-going basis during the contract term, disclose the appointed Sub-Contractor / Joint Venture / Consortia TAX COMPLIANCE STATUS.
6. A bidder who acts on behalf of an undisclosed principal must disclose such a fact upon submission of a bid as well as identity of that principal. The TAX COMPLIANCE STATUS of that principle must be verified in the same manner as that of the bidder. The same principle applies mutatis mutandis to any Sub-Contractor / Joint Venture / Consortia appointed by a successful bidder to execute a portion of a contract.
7. The TAX COMPLIANCE STATUS of all parties must be disclosed and verified if the bidder consist of a partnership and
8. A bidder, who is not resident in the Republic of South Africa, must apply for TAX CLEARANCE at SARS.

SIGNATURE OF BIDDER

DATE:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

WITNESS 1

DATE:

WITNESS 2

DATE:



SOL PLAATJE MUNICIPALITY, KIMBERLEY

****MANDATORY** LISTING CRITERIA**

CENTRAL SUPPLIER DATABASE REGISTRATION NUMBER (CSD): **MAAA** _____

1	Company name			_____		
2	Contact details	Telephone Number _____	Fax Number: _____	Cell phone number: _____		
	Email address Contact person:	_____ _____				
3	Postal Address:					
4	VAT registered	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If registered, VAT Registration No:	_____	
5	Settlement discount allowed	_____ %	For payment within	_____ days		
6	Bank account details	Account No.:		Branch No.:		
	Bank Name	_____				
	Branch Name	_____				
	Bank account type	_____				
7	Business Municipal Rates and Service Account Number: ** A current (30 days) account, or Lease Agreement in the case of a Landlord responsible for account, must be attached to this document **			_____		
8	Located in Sol Plaatje Municipal Area		Yes <input type="checkbox"/>	No <input type="checkbox"/>		
9	% owned by black male: _____%		% owned by black female: _____%			
	% owned by black youth: _____%		% owned by white female: _____%			
	% owned by disabled persons: _____%					
10	B-BBEE status level of contribution: _____					
11	Indicate main sector. Please select one (1) only: Agriculture <input type="checkbox"/> ; Mining and Quarrying <input type="checkbox"/> ; Manufacturing <input type="checkbox"/> ; Electricity, Gas, Water <input type="checkbox"/> ; Construction <input type="checkbox"/> ; Retail & Motor Trade & Repairs <input type="checkbox"/> ; Wholesale Trade, Commercial Agents and Allied Services <input type="checkbox"/> ; Catering & Accommodation & other Trade <input type="checkbox"/> ; Transport, Storage & Communications <input type="checkbox"/> ; Finance and Business Services <input type="checkbox"/> ; Community, Social and Personal Services <input type="checkbox"/>					
12	Amount full time employed staff: _____	Annual Turnover: R _____	Asset Value (Excluding fixed property) R _____			
13	It is the responsibility of the Supplier/Bidder to inform Sol Plaatje Municipality of any changes during the contract period					

NAME (PRINT) _____ SIGNATURE: _____

CAPACITY: _____

WITNESS (NAME): _____ SIGNATURE: _____

DATE: _____

ATTACH PROOF OF CSD DATABASE REGISTRATION HERE

A large, empty rectangular box with a thin black border, occupying the majority of the page below the header. It is intended for the user to attach their proof of CSD database registration.

**ATTACH THE RECENT MUNICIPAL ACCOUNT OR AGREEMENTS
AS PER GENERAL CONDITIONS NO: 2 (MQD 1)**

A large, empty rectangular box with a thin black border, occupying the majority of the page below the header text. It is intended for the attachment of municipal accounts or agreements as specified in the header.

SOL PLAATJE MUNICIPALITY

Q O /2017: A Service Provider to develop a business plan for the Sol Plaatje Fresh Produce Market (Kimberley)

Specifications & Special Conditions

PROPOSALS ARE HEREBY REQUESTED FOR THE DEVELOPMENT OF A BUSINESS PLAN FOR THE SOL PLAATJE FRESH PRODUCE MARKET.

1. Project Title

Business plan development for the Sol Plaatje Fresh Produce Market.

2. Introduction

Sol Plaatje Fresh Produce Market is the only national fresh produce market in the Northern Cape Province, our main objective is to create a producer friendly and safe environment for all our stake holders and potential investors.

The market consists of four commission agents: Squires & Sons, Samuels & Sons, Sub-Tropico and Kimberley Varsprodukte Agentskap, with the development of this strategic plan we aim at increasing this number to 6 agents including BEE agents.

The fresh produce market is directly linked to the SDBIP and the IDP objective of Sol Plaatje Municipality which is to ensure that Sol Plaatje market remains the preferred channel of distribution of fresh produce in Kimberley and the entire province.

Top service delivery

- To enforce compliance with all stakeholders and create a platform for new entrants such as more buyers, future farmers and possibly new commission selling agents
- To ensure to satisfy the public needs in the sense of maximum satisfaction of needs at the lowest possible cost.
- To adhere to the Batho Pele Principles in ensuring that there is transparency
- To render a cost-effective and efficient service.

Measures taken to improve the performance of the market

- Working towards intensifying profitability and sustaining growth
- Benchmarking with other fresh produce markets nationally
- Intensifying the marketing and advertising campaign for the market
- Using performance audit as a performance yardstick

Support given to communities that are living in poverty

- Local schools and crèches were invited to the market for educational purposes
- Awareness and the importance of the five-a-day healthy eating program was promoted to the community
- Fruit and vegetables were donated to impoverished communities, such as churches, funerals and orphanages.

3. Problem Statement

Having identified the short comings of steering the Kimberley Market forward, the need to develop a business plan for the Sol Plaatje Fresh Produce Market (Kimberley Market), has become critical to ensure that the Market can compete and provide quality service to all its stakeholders. The business plan will be the basis and strategic tool for planning, Organizing, Leading and controlling of the Market. It will further assist to guide and to source required funding for present and future endeavors.

4. Purpose and Objective of the Project

The core objective of this exercise is to commission a service provider to:

- Develop a business plan for the Market.
- Develop a viability report in line with the best codes of practices for national fresh produce markets
- Develop a maintenance plan (soft and Hard infrastructure)
- Determine the improvement cost for the facility

Related organizational objectives include

- Make use of the business plan to seek funding internally
- To improve our old infrastructure
- To attract, retain and expand Producers (Farmers) and Market agents
- To use the business plan to secure available incentives from other Government Agencies.
- To use the business plan to secure tenants for the market

5. Scope of Project

In developing the business plan Sol Plaatje Municipality aims to understand and find solutions to the fresh produce market performance audit by addressing the key areas identified therein:

1. Policy setting
2. Strategy development
3. Determine the floor plan and space utilization
4. Human resource management and development (skills audit)
5. Business management principles and practices (Planning, Leading, Organizing, Controlling)
6. Develop sound Financial plan
7. Develop plan to attract, retain and expand Producers, Agents and Buyers
8. Introduce Quality Assurance function for attractiveness of the market
9. Health and hygiene plan in relation to formal write-off of produce, condemnations, and refuse removal
10. Safety and Security plan with regards to People, Stock and Money
11. Operations management plan
12. Develop standard operation procedures
13. Marketing
14. IT system

In developing the Business Plan, the successful Service Provider must cover the following scope of work:

The Business plan MUST be linked to the Municipal Integrated Development plan

1. Executive summary
2. Global overview of the fresh produce Market industry
3. PEST-E (natural/ecological/ physical) Factors
4. Corporate governance strategy
5. Management information system
6. Industry players
7. Market analysis
8. SWOT analysis
9. Strategy formulation, vision, mission, problem statement
10. Strategic objectives
11. Business strategies, growth strategy
12. Strategic Relations and joint ventures
13. Competitive strategies
14. Functional strategies
15. Operational strategies
16. Human resources plan
17. Transformation agenda, BEE entrants and smme's inclusion plan
18. Management structure
19. Review and Development of IT systems
20. Risk management plan
21. Food safety plan and food security initiative
22. Detailed Marketing plan
23. Detailed facility management and space utilization plan
24. Detailed Financial plan: that includes (5 year budget forecast, capital and operating costs, capital sourcing for infrastructure upgrades)
25. Infrastructure Maintenance plan
26. Implementation / roll out plan

6. Key delivery/output of the Service Provider

The expected output of this exercise would be a detailed comprehensive business plan for the Sol Plaatje Fresh Produce Market that can be successfully implemented.

To ensure the successful completion of the exercise, the following deliverables are to give effect to the overall purpose of the assignment.

- I. Inception Schedule

- II. Data collected
 - o Covering of material issues in relation to the facility including structural issues and etc.
- III. Comprehensive business plan
 - o Covering all supply and demand side detail and all other pertinent planning information

7. Duration of the project

The duration of the project should not exceed 6 months from the date of the appointment.

8. Project Team Requirements

- The successful service provider must have expertise and experience in/or business management, general management, Agriculture management. (Proof will be required)
- Exposed to the Fresh Produce market industry and Agriculture industries (Proof will be required)
- Agricultural Economists: crop farming (preferable Master's Degree)
- Project manager with at least 5 years' experience
- Proven track record in sourcing and securing funding for similar projects
- Good research capability with a proven track record and experience in similar work/studies
- An excellent command of the English language.

9. Monitoring and Reporting

The successful service provider will report directly to the Executive Director SEDP, Market Manager and the team assembled for this project.

The Service Level Agreement will be entered into and it will provide details on reporting and remuneration.

10. Financial Issues

A budget breakdown is required. The service provider is required to provide information indicative of the budget for the overall project, which should include:

- Number and level of the staff members required for all part of the assignment.
- Costs of each study part
- Any other additional costs e.g. stakeholder engagement, traveling, accommodation and subsistence should be clearly outlined.

11. Proposal

The proposal should clearly outline the following:

1. Methodology:- An indication of how the service provider plans to undertake the study
2. Team to work on the project
3. Similar work previously undertaken
4. Other benefits the team bring to the SPM Fresh produce market
5. Costing breakdown
6. Gantt chart indicating main activities, milestones, timeframe and payment schedule
 - o A week-by-week activities schedule, detailing specific actions and deliverables that you will take, should also be included.

13. Briefing session

A compulsory briefing session will be held at the site on Monday 29 May 2017 at 9:00.

12. Intellectual property

Sol Plaatje Municipality (SPM) will have sole rights to the business plan and intellectual property rights.

Details and Specifications	Quantity	<i>Total price Inclusive of Vat</i>
A Service Provider to develop a business plan for the Sol Plaatje Fresh Produce Market (Kimberley)	1	
NETT TOTAL AMOUNT, R		

*** FOR OFFICE USE ONLY***

AS AGREED BY :-

LINE/PROJECT MANAGER: _____ DATE: _____

MANAGER ACQUISITIONING: _____ DATE: _____

APPROVED BY: -

MANAGER: SUPPLY CHAIN : _____ DATE: _____

DECLARATION OF INTEREST

BIDDERS WHO FAIL TO DECLARE ACCURATELY AND HONESTLY SHALL BE DISQUALIFIED AND THEIR NAMES AND COMPANY DETAILS WILL BE SUBMITTED TO NATIONAL TREASURY AND PROVINCIAL TREASURY TO BE BLACK LISTED. SHOULD YOUR INTEREST BE DISCOVERED AFTER THE AWARD OF THE CONTRACT THE MUNICIPALITY SHALL TERMINATE YOUR CONTRACT ON THE BASIS OF THE ABOVE.

1. No bid will be accepted from persons in the service of the State¹.
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, shareholder².....
 - 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? (EMPLOYED BY THE STATE) YES / NO
 - 3.8.1 If yes, furnish particulars.

¹MSCM 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) an executive member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

² "Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

- 3.9 Have you been in the service (employed by the state) of the state for the past twelve months? YES / NO
 - 3.9.1 If yes, furnish particulars.....
 -
- 3.10 Do you have any relationship (family, friend, other) with persons YES / NO
in the service of the state and who may be involved with
the evaluation and or adjudication of this bid?

3.10.1 If yes, furnish particulars.....

3.11 Are you, aware of any relationship (family, friend, other) between any other 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 yes, furnish particulars

3.12 Are any of the company’s directors, trustees, managers, principle shareholders or stakeholders in service of the state? YES / NO

3.12.1 If yes, furnish particulars.

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

3.13.1 If yes, 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

DECLARATION

I, THE UNDERSIGNED (NAME).....CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 & 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
 SIGNATURE

.....
 DATE

.....
 POSITION

.....
 (PRINT) NAME OF BIDDER

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.

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

1.2 The value of this bid is estimated to exceed/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	... <u>80</u>
1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION	... <u>20</u>
Total points for Price and B-BBEE must not exceed	<u>100</u>

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit 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 utilised 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 PREFERENCE POINT SYSTEMS

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

80/20

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = 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	16
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

ATTACH CERTIFIED COPY OF B-BBEE CERTIFICATE HERE

A large, empty rectangular box with a thin black border, occupying most of the page below the header text. It is intended for the attachment of a certified copy of a B-BBEE certificate.

- 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 of 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 10 or 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 ***[TICK APPLICABLE BOX]***

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

9.6 COMPANY CLASSIFICATION ***[TICK APPLICABLE BOX]***

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

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;
 - (e) forward the matter for criminal prosecution

Witnesses:	
1.....	2.....
Signature(s) of bidder(s)	
.....	
.....	
Date:	Address:

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>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <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>Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <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?	Yes <input type="checkbox"/>	No <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?	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"/>
4.5.1	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

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>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <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>Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <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?	Yes <input type="checkbox"/>	No <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?	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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ 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).² Collusive bidding is a *per 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:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² 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

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 consortium³ 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.

³ **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**

ATTACH ALL ADDITIONAL ANNEXURES HERE