



ELIAS MOTSOLEDI LOCAL MUNICIPALITY

EMLM 35/2023

APPOINTMENT OF SERVICE PROVIDER FOR PREPARATION AND UPDATING OF GRAP COMPLIANT FIXED ASSETS REGISTER FOR A PERIOD OF 36 MONTHS

CLOSING DATE:	07 JULY 2023	TIME	11H00
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NAME OF TENDERER	
TOTAL AMOUNT	
CENTRAL SUPPLIER DATABASE NUMBER	MAAA
CONTACT PERSON	
TELEPHONE NUMBER	
FAX NUMBER	

ENQUIRIES REGARDING BID PROCEDURES		TECHNICAL ENQUIRIES	
DIRECTORATE: BUDGET AND TREASURY		DIRECTORATE: BUDGET AND TREASURY	
V MASILELA		MC TJIANE	
MANAGER: SUPPLY CHAIN MANAGEMENT		MANAGER: ASSETS	
TEL. NUMBER	TEL.013 262 3056	TEL. NUMBER	013 262 3056
TENDER ISSUED BY			
SUPPLY CHAIN MANAGEMENT UNIT			
ELIAS MOTSOLEDI LOCAL MUNICIPALITY		P.O. BOX 48, GROBLERSDAL, 0470	

ELIAS MOTSOLEDI LOCAL MUNICIPALITY

TENDER DETAILS						
TENDER NUMBER	EMLM 35/2023					
TENDER TITLE	APPOINTMENT OF SERVICE PROVIDER FOR PREPARATION AND UPDATING OF GRAP COMPLIANT FIXED ASSETS REGISTER FOR A PERIOD OF 36 MONTHS					
CLOSING DATE	07 JULY 2023		CLOSING TIME		11H00	
SITE MEETING	DATE	N/A	TIME	N/A	COMPULSORY	N/A
SITE MEETING ADDRESS	N/A					
CIDB GRADING REQUIRED	N/A		LEVEL AND CATEGORY		N/A	
TENDER DOCUMENT FEE	R1000.00(if collecting from the Municipality) Free when uploading from e-tender portal		PREFERENCE POINT SYSTEM		80/20	
BID BOX SITUATED AT	MAIN OFFICES, 2ND GROBLER AVENUE , Elias Motsoaledi Local Municipality					
OPERATING HOURS	The bid box is open during office hours, Monday to Friday from 07h30 to 16h15.					
OFFER TO BE VALID FOR	90	DAYS FROM THE CLOSING DATE OF TENDER.				
PLEASE NOTE: 1. Prospective suppliers must be registered on CSD prior to submitting bid (open tender) 2. Tenders that are deposited in the incorrect box will not be considered. 3. Mailed, telegraphic, telex, or faxed tenders will not be accepted. 4. No late bids after closing date and time will be accepted. 5. Bids not clearly marked and unamend will not be accepted. 6. Bids may only be submitted on the bid documentation provided by the municipality. 7. No awards will be made to a person: i. Who is in the service of the state, ii. If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state iii. Who is an advisor or consultant contracted with the municipality or municipal entity						

BIDDER'S TENDER DOCUMENTATION DECLARATION CERTIFICATION

I, the undersigned certify that the information furnished on this declaration form is correct, completed and submitted.	
NAME OF REPRESENTATIVE	
POSITION / DESIGNATION	
SIGNATURE	
DATE	

T1.1 TENDER NOTICE & INVITATION

ELIAS MOTSOLEDI LOCAL MUNICIPALITY

TENDER NO: EMLM 35/2023

CLOSING DATE: 07 JULY 2023 AT 11H00



In terms of Section 110 of the Municipal Finance Management Act, 2003 (No. 56 of 2003), tenders are hereby invited for **APPOINTMENT OF SERVICE PROVIDER FOR PREPARATION AND UPDATING OF GRAP COMPLIANT FIXED ASSETS REGISTER FOR A PERIOD OF 36 MONTHS**

Tender documents and specifications are available and can be obtained from CASHIERS OFFICE IN THE MAIN OFFICES, 2nd Grobler Avenue Groblersdal, P.O. Box 48, Groblersdal, 0470 Tel: [013] 262 3056, at a non-refundable deposit of **R1000.00** when the bidder request/need a document from the municipality and it is free of charge when downloaded from the e-Tender Portal. Payments can be made through cash payable to the Elias Motsoaledi Local Municipality.

The closing time for receipt of tenders is **07 JULY 2023 at 11H00**. Telegraphic, telephonic, telex, facsimile, e-mail, unmarked and **late tenders** will under no circumstances be considered and accepted. The tender box will be emptied just after closing time on the closing date. Hereafter all bids will be open in public.

Any technical enquiries relating to the tender document may be directed to the **BUDGET AND TREASURY (Mr. MC Tjiane)** on 013 262 3056 or at **ctjiane@emlm.gov.za** for technical assistance.

Fully completed tender documents, clearly marked **“APPOINTMENT OF SERVICE PROVIDER FOR PREPARATION AND UPDATING OF GRAP COMPLIANT FIXED ASSETS REGISTER FOR A PERIOD OF 36 MONTHS** with **“NAME of TENDERER”** must be placed in a sealed envelope and placed in the **tender box No: 1** on the **2nd Grobler Avenue**, Elias Motsoaledi Local Municipality, Main Offices, Groblersdal, **by no later than 07 JULY 2023 at 11H00**. The envelope must be endorsed with number, title and closing date as indicated above

Bidders will be evaluated on functionality whereby **70 points (70%)** has to be attained before financial proposals can be looked at. A preferential point system shall apply whereby a contract will be allocated to a tenderer in accordance with the Preferential Procurement Policy Framework Act, Act No. 5 of 2000 and as defined in the Conditions of Tender in the tender document, read in conjunction with the Supply Chain Management Policy of Elias Motsoaledi Local Municipality where **80 points** will be allocated in respect of price and **20 points** in respect of specific goals.

No awards will be made to a person:

- Who is not registered on the Central Supplier Database;
- Who is in the service of the state;
- If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; and/or
- Who is an advisor or consultant contracted with the municipality or municipal entity.

The municipality reserves the right to withdraw any invitation to tender and/or to re-advertise or to reject any tender or to accept a part of it. The municipality does not bind itself to accepting the lowest tender or award a contract to the bidder scoring the highest number of points



**TERMS OF REFERENCE
FOR
APPOINTMENT OF SERVICE PROVIDER FOR PREPARATION AND UPDATING OF GRAP COMPLIANT FIXED
ASSETS REGISTER FOR A PERIOD OF 36 MONTHS**

SCOPE OF WORK

Elias Motsoaledi Local Municipality hereby request for proposals from suitably qualified and experienced service provider for preparation and updating of GRAP Compliant Fixed Assets Register for a period of 36 months

1. Purpose

To procure services of a suitably qualified and experienced service provider for preparation and updating of GRAP Compliant Fixed Assets Register. The service provider will be required to compile a Fixed Assets Register in compliance with GRAP.

2. Background

The Municipality, Budget and Treasury department performed need analysis on Assets Management and discover the following:

- Staff shortage in the Assets management section, which leads to lack of capacity to perform some of the duties, assigned to Assets management.
 - Lack of technical resources to effectively perform Infrastructure assets verification.
 - Lack of expertise to perform assets condition assessments.
 - Lack of skills and expertise to perform landfill rehabilitation provisions:
- Obtain the closure calculations for the landfill sites done in the previous year
 - Perform a desktop airspace calculation of each of the landfill sites
 - Draft the journals to be passed to ensure that the rehabilitation of landfill site liability as per valuation report agrees to that of the general ledger accounts
 - Present and disclose all the information in the financial statements in accordance with GRAP 19: Provisions, Contingent liabilities and assets

3. Objectives

- Appoint a service provider for the preparation and updating the Fixed Assets Register in compliance and in accordance with GRAP.
- To improve Assets performance.
- To improve and properly accounting for Fixed assets in the Annual Financial Statement.

4. Scope of the project

Preparation and Updating of GRAP Compliant Assets Register

Provide the GRAP compliant assets register by:

- To compile a GRAP compliant Fixed Asset Register as at 30 June each year,
- Physical identification and verification of all immovable assets (Land, Buildings, Infrastructure asset, etc.) owned and controlled by the municipality. All roads and roadside assets need to be physically verified each reporting period and no “desktop”, aerial, or GIS verification will be accepted,
- Conduct physical conditional assessment of all municipal assets and prepare an impairment report (testing for impairment and calculations, including impairment methodology)
- Handheld verification devices need to make use of built in GPS receivers and also have capability to scan barcodes used by the municipality.
- Compiling a list of all assets missing or unverified. Ensure that the required adjustments regarding de-recognition are captured in the asset register and recommend necessary journals,
- Prepare an investigation report based on the missing or unverifiable assets during physical verification.
- Review useful lives, residual values of assets and assess assets for impairment
- Ensure that all financial calculations are correctly processed within the Municipal Asset Management System and provide assistance to the municipality to ensure the correct processing of such transactions,
- Prepare all assets related notes in the Annual Financial Statements,
- Prepare appendix B and C as per the prescribed Annual Financial Statement formats,
- Ensure that municipal officials are trained on job and skills is transferred to officials throughout the contract period,
- Amend the asset register with all asset movements identified during verification exercise,
- Prepare methodology documentation and present to the Municipality,
- Assist with communication of audit finding responses (Resolve the findings raised both current and prior year),
- Assess Landfill Sites and Compile a Landfill Closure Rehabilitation 's report each reporting period

5. PROJECT TIMEFRAME

The project timeframe is expected to be over a period of 3 years

6. PROJECT DELIVERABLES

The service provider must:

1. PROVIDE A DETAILED REPORT WITH PERFORMANCE INDICATORS CLEARLY SHOWING:

- a. Provide regular reports on progress
- b. To attending the Audit Steering Committee/any other platform of similar nature
- c. To provide management of information that could derail progress

7. BILL OF QUANTITY

#	ITEM DESCRIPTION	TOTAL YEAR 1	TOTAL YEAR 2	TOTAL YEAR 3
1	AUDIT ACTION PLAN: Execute Audit action plan to clear previous findings (as and when required)			
2	WORK IN PROGRESS: Projects construction and reconciliation Review Updated WIP register and GL reconciliation Componentize based on source documentation bill of quantities Survey and geo-tag componentized items			
3	ASSET VERIFICATION: INFRASTRUCTURE VERIFICATION AND CONDITION ASSESSMENT WITHIN THE MUNICIPAL BOUNDARIES Electricity Network (Groblersdal, Roossenekal and Masakaneng, including High-mast lights within the municipal boundaries) (Substations, mini-sub, transformers, cabling and underground electrical reticulation by use of GIS) Roads and storm water Network (municipal owned roads within the Elias Motsoaledi Municipal boundaries) (Tar roads Gravel roads, Dirt roads and GIS)			
4	PROPERTY REGISTER: Land, Buildings & Other structures survey and verification Deeds and property register reconciliation. Completeness test data supplied Investment property valuation			
5	FINANCIAL: DRC calculation and Depreciation calculation review Impairment calculation and adjustment RUL calculation and adjustment review Appendix preparation			
6	AUDIT SUPPORT: Register to floor AG verification assistance Floor to register AG verification assistance Resource onsite during Audit period and COMAF responses			
7	LANDFILL SITE VALUATION: Calculation of provision for rehabilitation of landfill			
Sub Total				
Add 15% VAT (If Applicable)				
Grand Total				

8. EVALUATION METHODOLOGY AND CRITERIA

RETURNABLE TENDER DOCUMENTS MUST BE COMPILED WITH CLEAR FILES DIVIDERS IN A NUMERICAL ORDER AS PER THE BELOW MINIMUM REQUIREMENTS

Minimum Qualifying Requirements /Compulsory Returnable Documents:

1. Fully Completed and Signed MBD Forms with a black ink (1; 4; 6.1; 8 & 9).
2. Attach CSD registration report **(Detailed)**.
3. Valid copy Entity / Company registration certificate.
4. Any alteration on the tender document must be signed **(NB: Not Initialed)**.
5. Every page on the tender documents must be signed **(NB: Not Initialed)**.
6. Forms must be signed in Black ink.
7. Attach South African Institute of Chartered Accountant (SAICA) certificate for Director's
8. Letter of good standing (Compensation for Occupational Injuries and Disease Act (COIDA)) from Department of Labour
9. CIPC Abridged Certificate Annual returns **(NB applicable to entities that are in business for more than 12 months)**.
10. Company Profile **(Detailing; Name of Client; Service Provided; Award Amount; Contact Person and Contact Number)**.
11. Proof of Municipal rates and taxes or services charges:
 - Of the company and all of its directors not in arrears for more than 90 days or
 - Confirmation from the municipality if municipal rates and taxes are not levied (for the company and all its director(s)) as per CK/Company form of address on the registration certificate or
 - if leasing, a signed lease agreement by the lessor and the lessee and a declaration/letter indicating that the bidder and/or the director does not have municipal account and that the municipal services; rates and taxes are paid by the property owner, should be signed by the lessor and such declaration/letter must be attached / Municipal rates in the name of the lessor for both company and director(s).
10. Original Certified copies of ID's of the Director(s) **(Certification not older than 3 months before the closing date)**.
11. **In case of a Joint Venture**, Association or Consortium a formal contract agreement must be signed by both parties and be attached and the following must be adhered to:
 - All of the above requirements must be for the both entities.

NB: FAILURE TO MEET ANY OF THE ABOVE REQUIREMENTS WILL LEAD TO IMMEDIATE DISQUALIFICATION,

EVALUATION CRITERIA

NO	CRITERIA	DESCRIPTION	MAX POINTS
1	COMPANY PREVIOUS EXPERIENCE Previous GRAP Compliant project: Previous completed Municipal GRAP compliant assets register projects (Attach Appointment letters and Signed & stamped Reference Letters) No points will be allocated if Appointment letters are not corresponding with Signed & stamped Reference letters	▪ 1 – 2 Appointment letters and Signed & stamped Reference Letters = 20 Points ▪ 3 & Above Appointment letters and Signed & stamped Reference Letters = 40 Points	40

2	CAPACITY OF KEY PERSONNEL: Project Leader Engineer Environmental Scientists	Project Leader: - Honours Degree / Higher in Financial Accounting with 8 years' experience / Higher = 10 Points - Degree / B-Tech in Financial Accounting with 5-7 years' experience = 5 Points - National Diploma in Financial Accounting with 3-4 years' experience = 3 Points Engineer: - B-Tech / Higher: Civil Engineering certificate with 8 years' experience / Higher (Registered with ECSA) = 10 Points N. Dip: Civil Engineering certificate with 5-7 years' experience (Registered with ECSA) = 5 Points N. Dip: Civil Engineering certificate with 3-4 years' experience (Registered with ECSA) = 3 Points Environmental Scientists: - B-Tech: Environmental / Natural Science or Higher with 8 years' experience / Higher = 10 Points N. Dip: Environmental or Natural Science with 5-7 years' experience = 5 Points N. Dip: Environmental or Natural Science with 3-4 years' experience = 3 Points	30
3	THE COMPANY OR ACCOUNTING FIRM MUST BE REGISTERED WITH ACCOUNTING PROFESSIONAL BODY: South African Institute of Chartered Accountant (SAICA)	Registered with accounting professional body: South African Institute of Chartered Accountant (SAICA)	20
4	PROJECT TECHNOLOGY: Clear demonstration that the following technology will be used for verification of assets. - Handheld devices that make use of GPS receivers for coordinates and the system must be able to verify assets when online and offline: - Proof of purchase/ownership / Lease agreement for handheld devices	Proof of purchase/ownership / Lease agreement for handheld devices	10
	TOTAL MINIMUM POINTS 70 POINTS		100

The bidder must obtain a minimum score of 70 functionality points to qualify for further evaluation

PHASE 2: PRICE AND PREFERENTIAL POINTS ALLOCATIONS

For quotes with a Rand value up to R50 000 000, the preference point system of 80/20 will apply, where 80 points will be for **(Price)** and 20 points will be for **Specific Goals** (Black, Women, Disability & people living in rural underdeveloped areas) in terms of section 2(1)(d) of the Preferential Procurement Policy Framework Act, 2000, (Act No 5 Of 2000)

Price	=	80 Points
Specific Goals	=	20 Points
Total	=	100 Points

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
▪ 51% Black owned Company	10	
▪ Company which 51% is owned by people living in rural underdeveloped areas	10	
TOTAL POINTS	20	

M.M KGWALE

MUNICIPAL MANAGER.

CONCLUSION

Any false information given by the Prospective Service Provider and not meeting the minimum qualifying requirement, will lead to automatic disqualification of the PSP.

The council reserves the right to accept either the whole or part of any Bid, or not to appoint at all. Faxes or e-mail is not acceptable. Bidders will be required to show compliance with the New Preferential Procurement Regulation of 2017

COMPULSORY MUNICIPAL BID DOCUMENTATION

- | | |
|------------|--|
| a) MBD 1 | : Invitation to tender |
| b) MBD 4 | : Declaration of interest |
| c) MBD 6.1 | : Preference points in terms of Preferential Policy Regulations |
| d) MBD 8 | : Declaration of bidder's past supply chain management practices |
| e) MBD 9 | : Certificate of Independent Bid Determination |

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (ELIAS MOTSOLEDI LOCAL MUNICIPALITY)					
BID NUMBER:	EMLM 35/2023	CLOSING DATE:	07 JULY 2023	CLOSING TIME:	11H00
DESCRIPTION	APPOINTMENT OF SERVICE PROVIDER FOR PREPARATION AND UPDATING OF GRAP COMPLIANT FIXED ASSETS REGISTER FOR A PERIOD OF 36 MONTHS				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS					
02 GROBLER AVENUE					
GROBLERSDAL					
0470					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	☐ Yes ☐ No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) 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]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES, ANSWER PART B:3]	
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE	R	
SIGNATURE OF BIDDER			DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	BUDGET AND TREASURY		DEPARTMENT	BUDGET AND TREASURY	
CONTACT PERSON	V.E MASILELA		CONTACT PERSON	MC TJIANE	
TELEPHONE NUMBER	013 262 3056		TELEPHONE NUMBER	013 262 3056	
FACSIMILE NUMBER	013 262 2547		FACSIMILE NUMBER	013 262 2547	
E-MAIL ADDRESS	vmasilela@emlm.gov.za		E-MAIL ADDRESS	ctjiane@emlm.gov.za	

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO
- 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO
- 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO
- 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO
- 3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? ☐ YES ☐ NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

DECLARATION OF INTEREST

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

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

3.2. Identity Number: _____

3.3. Position occupied in the Company (director, trustee, 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? **YES / NO**

3.8.1. If yes, furnish particulars.

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

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

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 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 in the service of the state and who may be involved with the evaluation and or adjudication of this bid?
.....YES / NO

3.10.1. If 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

.....
Signature

.....
Date

.....
Capacity

.....
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

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).

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) 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
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** 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;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“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; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. 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
$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$	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

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

3.2.1. POINTS AWARDED FOR PRICE

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

$$P_S = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or } P_S = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{max} = 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 (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
▪ 51% Black owned Company	10	
▪ Company which 51% is owned by people living in rural underdeveloped areas	10	
TOTAL POINTS	20	

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 OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1. This Municipal Bidding Document must form part of all bids invited.
2. It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
3. The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a) abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b) been convicted for fraud or corruption during the past five years;
 - c) wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or has
 - 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	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? (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). 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.	Yes ☐	No ☐

4.1.1	If so, furnish particulars:		
4.2	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)? The 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.	Yes ☐	No ☐
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 ☐	No ☐
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 ☐	No ☐
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 ☐	No ☐
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 / Company

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 *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:

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 / Company)

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 / Company

GENERAL CONDITIONS OF CONTRACT

The General Conditions of Contract are not included in this document and may be downloaded from the following website – [www.treasury.gov.za / legislation](http://www.treasury.gov.za/legislation):