



LEKWA LOCAL MUNICIPALITY

Review of Lekwa Local Municipality Local Economic Development Strategy

BID NO.	LED08 2021/2022
PUBLISH DATE:	
VALIDITY PERIOD:	90 days from the closing date
BRIEFING DATE:	No Briefing
CLOSING DATE:	10th September
CLOSING TIME:	12:00 PM
BID RESPONSES MUST BE HAND DELIVERED / COURIERED TO:	LEKWA LOCAL MUNICIPALITY The Municipal Manager PO BOX X66 Standerton 2430 Contact Person: Tel:
ATTENTION:	
NB: Bidders must ensure that they sign the register at the reception when delivering their bids	

BIDDER NAME:
CSD NUMBER:



LEKWA LOCAL MUNICIPALITY

APPOINTMENT OF A SERVICE PROVIDER TO REVIEW LEKWA LOCAL ECONOMIC DEVELOPMENT STRATEGY BID NO. LED08 2021/2022

Bids are hereby invited from capable service providers to review Local Economic Development (LED) strategy for Lekwa Local Municipality. The envisaged time frame for the project is Four (4) months, however the final arrangements will be entered into with the service provider

All the returnable documents will be listed in the tender document.

The tender documents must be sealed in an envelope clearly marked.

APPOINTMENT OF A SERVICE PROVIDER TO REVIEW LEKWA LOCAL ECONOMIC DEVELOPMENT STRATEGY BID NO. LED08 2021/2022

TENDER NO	CLOSING DATE & TIME	Venue
LED08 2021/2022.	10 th September – 12h00	Standerton Minor Hall

All tender documents must be deposited in the tender box situated at Records section at the Main Building, Cnr Dr Beyers Naude & Mbonani Mayisela Streets, Standerton 2430. **Tender box is accessible Monday to Friday from 08h00 to 16h00.**

Documents will be available from the Cashiers on the 25th of August 2021 at cost of R500.00 **per document.**

All tender documents must reflect the cost of the service. No facsimile transmission will be considered.

All enquiries relating to this advert must be address to:

Procurement Enquiries : Lerato Nhlapo @ 079 135 9105 email: lnhlapo@lekwalm.gov.za

Technical Enquires: Mr. M Phosa @ 0674151157, email: mahlatse.lekwalm@gmail.com

Lekwa Local Municipality subscribe to the PPPFA and the 80/20 principle and functionality will be prequalification criteria to this bid. All bids submitted shall be valid for 90 days after the closing date.

No briefing session shall be conducted for this tender. Technical enquiries may be directed to the project manager on the above contact details.

Lekwa Local Municipality reserves the right not to appoint any of the bids.

Important: No facsimile transmission will be considered.

Mr J Mokgatsi
ACTING MUNICIPAL MANAGER

NOTICE NO. ...2021

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CRONYMS

DCOGTA:	Department of Cooperative Governance & Traditional Affairs Economic
DEDET:	Department of Economic Development Tourism and Environment Affairs
GIS:	Geographic Information System
LLM:	Lekwa Local Municipality
MP:	Mpumalanga Province
LED:	Local Economic Development
PSC:	Project Steering Committee
SMME:	Small, Medium and Micro Enterprise
TOR:	Terms of Reference
RSA:	Republic of South Africa
PPPFMA:	Preferential Procurement Policy Framework Act
DM:	District Municipality
MFMA :	Municipal Finance Management Act
PESTLE:	Political, Social, Economic, Technological, Legal and Ecological
SWOT:	Strengths, Weaknesses, Opportunities and Threats

1 DEFINITIONS

For the purpose of this Request for Proposal, the following terms and expressions shall hold, unless the context otherwise requires the following meanings:

“HDI” means Historically Disadvantaged Individual

“IDP” means Integrated Development Plan

“Lead Advisor” means the person responsible as the single point of contact from the service provider

“LED” means local economic development plan

“PPFA” means Preferential Procurement Policy Framework Act

“Project Leader” means Municipality’s nominate official to lead the project

“RFP” means for Request for Proposal

“TOR” means this Terms of Reference

2 Introduction

The LED strategy is purely designed to provide clear strategic guidelines to all relevant role players and agencies to ensure co-ordinated economic development initiatives that contribute towards the economic goals of Lekwa Municipality. The strategy should provide a rapid but rigorous evaluation of the local economy per sector, identification of potential economic opportunities, including identification of economic potential and the formulation of an overall economic development framework and strategy involving local stakeholders. The strategy is also critical towards consolidating existing and identified opportunities in the local municipality and aid in implementation, monitoring and evaluation.

2.1 Background To The Project

The current LED strategy was developed in 2016. Since then, the municipality has experienced significant growth and a number of new development opportunities have arisen. Accordingly, the Municipality has identified the need to review the existing strategy, solely with the intention of producing a plan that is credible, implementable and which identifies projects of a catalytic nature. That is, projects that will have a meaningful impact on the local economy of Lekwa and subsequently address the nation-wide triple challenges of unemployment, inequalities and poverty.

It is noted with concern that, the municipality has not yet managed to package and implement high impact programmes with a capacity to create to attract strategic investments thereby create local employment and empower local entrepreneurs. To this end, it our intention to draft a strategy that will reflect our challenges and present associated interventions to regenerate our economy. In the main, we seek to draft a strategy which provides a clear path for Urban, rural, tourism promotion, agricultural development, services sector improvement as well as trade and industry growth.

As the municipality we take cognizance of our immediate economic challenges ranging from the lack of ownership of suitable land for grazing for emerging previously disadvantaged farmers, exclusion of our informal traders in the main stream of our economy, bad conditions of our roads, lack of packaged industrial oriented projects, lack of agro-processing of local produced products as well as our failure to take advantage of local natural resources. Hence, we are not attracting new investments due to the ageing or lack of infrastructure to accommodate new investments. Undoubtedly, as we embark of this assignment we will be willing to partner with knowledgeable service provider who will undertake a detailed research on our situational standpoints and direct us to the correct path of economic emancipation.

Finally, the municipality is cognizance and appreciative of other developments and initiatives from various

departments that are concerned about socio-economic challenges of Lekwa LM. Hence, the compilation of this strategy is meant to serve as a tool of strategic integration and alignment of programmes and resources between the stakeholders thereby improve both public and private investments impact in Lekwa LM. The appointed Service Provider will be expected to facilitate this integration and ensure our document harmonies and strengthens the synergies between Lekwa LM and all its strategic development partners.

3 Purpose of Terms of Reference

The purpose of this project is to review the Local Economic Development Strategy for Lekwa Local Municipality. The plan is envisaged to serve as a mechanism of intervention in addressing the economic development challenges within the Municipality. It will serve to guide and direct the implementation of development initiatives, which are currently occurring in an ad-hoc manner. The strategy should also integrate with other key sector reports and existing district LED strategies and programmes already developed by Gert Sibande District Municipality. The strategy must also integrate with the Provincial Growth and Development Strategy and National Government's rural development strategy.

4 Project Objectives

The LED Strategy play a major role in allowing Lekwa Municipality to meet its constitutional obligations, to promote and drive economic development in the local community as well as open new economic and employment opportunities.

The intention of the municipality to review LED Strategy with the implementation plan will result in stimulation of economic growth and development and sustainability of substantial economic sectors. The objective of the project is to provide a broader context for local economy and undertake an analysis of the current demographic, social and economic characteristics for Lekwa Municipal area. This analysis must include an in-depth look into the implications that these characteristics may have for the future development of the area.

The specific study objectives and project deliverables are as contained in the following table:

Specific Objectives
<ul style="list-style-type: none"> • To undertake a detailed economic analysis to enable identification of appropriate interventions that will lead to economic development of the area. • To formulate an implementable LED Strategic framework to guide the promotion and support of sustainable economic development within Lekwa Local Municipality.

- Improve coordination of economic development planning and implementation across all the spheres of government, private sector and non-governmental actors.
- Identify needs and gaps in enterprise support and business infrastructure in Lekwa Municipality.
- Explore incentives that the municipality can provide or source to support existing businesses to grow their operations and create more jobs within the municipality.
- Identify ways to attract and promote inward investment.
- Identify approaches to support SMME development, regulation and inclusion of informal traders in the main stream of local economy.
- To create a database of projects within the municipality including those being implemented, economic opportunities and future potential projects.
- To undertake a detailed economic analysis to enable identification of appropriate market interventions that will lead to economic development of the area.
- To formulate an implementable LED Strategic Framework to guide the promotion and support of sustainable economic development
- To formulate a matrix to guide the Municipality in terms of identification and prioritizing strategic projects for investigation and implementation
- To formulate a matrix to guide the Municipality in terms of identification and prioritizing strategic projects for investigation and implementation
- To optimize the creation of new economic and business opportunities that will translate into meaningful economic growth, job creation and poverty alleviation in the study area

5 Scope of Work

The following activities are expected to meet the objectives of this exercise:

5.1 Phase 1: Inception Report

- Project set-up and preparation of the inception report detailing all deliverables including a work plan of the activities to be achieved during the contract period.
- Outline the key stakeholders.
- Service provider is required to commence by drafting the inception report detailing the overall approach, methodology and expected period in which each phase of the project activities will be completed including associated costs of each phase.
- The inception report will serve as a discussion document and will be the basis upon which the detailed approach of the project will be agreed.
- The inception report is an interim deliverable that is expected to be completed in two (2) weeks from the

date of appointment of the service provider.

- This report will further serve as the basis of the Service Level Agreement between the Municipality and the Appointed Service Provider

5.2 Phase 2: Situational Analysis

- Analysis of the municipality's economy using desktop data as base line information.
- Consolidation of existing information using reports and strategies such as the Municipal IDP, Spatial Development Framework (SDF), etc. Any relevant documents available from the municipality will be provided to the service provider in order to produce credible strategy. This exercise should:
 - Ascertain present local economic development climate of the municipality. This analysis should provide a PESTEL analysis of the environment affecting the area; a competitor analysis, and an analysis of the marketing environment.
 - A standard SWOT analysis of the area. Based on the SWOT analysis highlight the key success factors for LED in this environment.
 - Analyse business model that would be most appropriate to promote LED in Lekwa Municipality.
 - Ascertain key economic sectors and growth sectors within the municipality including the areas of growth potential, comparative and competitive advantages, needs, challenges and opportunities.
- Research on current investment incentives, initiatives and policies as well as investigate plans and strategies for the municipality.
- Assess the municipality's existing capacity (financial, infrastructure, and human capital), economic thrusts and determine needs based on identified opportunities and sustainability criteria.
- Indicate the impact of COVID-19 as a basis to develop the recovery plan.

5.3 Phase 3: Draft Economic Development Strategy

Taking into account the findings of the situational analysis by the service provider should draft the LED strategy making sure it is aligned to the national and provincial strategies and plans such as the National Development Plan, Provincial Growth and Development Strategy, Provincial Investment Strategy, Industrial Development Zones, Small business Development Act, etc. The Lekwa Municipality's LED Strategy should be developed to pay particular attention to the needs as well as the competitive and comparative advantages of the local municipality. In the main, the strategy should be radical and inclusive in nature thereby ensure that all the economic players are catered for and have an influence over the future direction of their economy. It should clearly detail and explore the following among others:

- Identification and packaging of sound strategic thrusts that reads from the challenges on the situational analysis and further consider the future economic direction of the country. Again, the thrusts should be linked to all the national ideas and programmes for rural economic development
- Identification and prioritization of projects.
- Analysis of business trends in the local municipality.
- Identification of approaches necessary to grow, attract and retain investments within Lekwa Local Municipality.
- Organizing and conducting stakeholder engagements on the LED Strategy review.
- Specify the municipality's target sectors and the relevant municipality's comparative and competitive advantages.
- Develop enterprise development and investment model.
- Identify investment opportunities within the main and growth sectors within Lekwa Local Municipality.
- Identify the key players within the economic sectors.
- Highlight the performance of economy in Lekwa in comparison to the global performance, emerging markets, South Africa, Mpumalanga Province and Gert Sibande District Municipality.
- Outline the performance of each sector (e.g. Mining, Manufacturing, Agriculture etc.) in the past 10 years and make future projections.
- The strategy should provide advice on possible institutional arrangements that will be deemed appropriate for integration and implementation of key programmes and projects.

5.4 Phase 4: Implementation Plan and Monitoring & Evaluation Framework

- Devise the LED Strategy Implementation Framework and Monitoring & Evaluation Framework for the municipality.
- Implementation plan should be clear, practical and outline steps to be followed to grow the local economy.
- Implementation plan should further breakdown the interventions/ projects into a comprehensive plan of action, outlining steps to be taken for each intervention/ project with the envisaged dates and detail the roles of government, private sector and other relevant stakeholders as well as the anticipated financial requirements.

- The monitoring and Evaluation Framework should outline the specific timelines/timeframes for the interventions and indicators to measure performance against objectives.
- The implementation framework should detail the level of involvement of LED role-players in the area.
-

5.5 Close-Out Report

Close-Out Report with a summary and confirmation of all the milestones and deliverables achieved. Reflection on the process followed against the inception report.

6 Anticipated Timeframe

The envisaged timeframe for the project is **four (4) months**, however, the final arrangements will be entered into with appointed Service Provider

7 Reporting Procedure

The Service Provider will report to the Project Steering Committee. Progress report will be required for every milestone of the project as per proposal.

8 Competency and Expertise Required

The successful service provider will have to meet the following requirements:

- The Service Provider (SP) must be a company with personnel who have recognized qualifications in Spatial Planning/Town Planning, Economics, Tourism, Mining Engineering, Agriculture, Environmental Management, Logistics Management/Supply Chain Management Development Studies, Development Planning, Strategic Planning Land Use and Spatial Planning or Business Administration with 8 years or more relevant experience in Local Economic Development.
- Should be suitably qualified to respond to the terms of reference
- Should possess knowledge in formulating strategies of similar nature
- Report writing and presentation skills
- A sound approach and methodology towards delivering on this assignment
- Accessibility and dedication for the duration of this project
- Project Management skills
- Ability to engage with varied nature of private and government stakeholders.
- Expertise and thorough understanding of LED;

- Good understanding of the policies and strategies related to LED.

9 Fixed Price Contract

The bid price shall be fixed price inclusive of all expenses and value added Tax (VAT) and shall be priced per stage, meaning the appointed service provide must produce the LED strategy within the budget allocated for this project no price escalation will be allowed.

10 Adjudication of Proposals

- i) Applicants that express interest in the project must submit their bids before the closing date and time as advertised.
- ii) The bid's key evaluation criteria will include verification of capability of successful applicant.
- iii) Applicants must:
 - Propose and provide complete information on various companies or skills comprising the proposed consulting team that will implement the programme. This will include qualifications, ability to manage a multi-disciplinary team, relevant experience on similar projects, as well as availability to the programme.

11 Responsiveness Criteria

To be considered responsive, bids must satisfy the following responsiveness criteria, failing which will result in the proposals being disqualified:

- | |
|--|
| <ul style="list-style-type: none"> • The bid offer must be properly received on or before the closing date, meeting the required time limit, properly and fully completed in black ink and signed. • Submission of valid original tax clearance certificate • Submission of CSD documents • The MBD Forms must be completed accordingly • BBBEE Certificate of Sworn Affidavit • Submission of a proposed project team structure indicating roles and responsibility |
|--|

Additional information that may be required during the bid evaluation:

- Responses are limited to single sided A4 pages using no smaller than 10 point font, including all supporting documentation that must be clearly cross-referenced.

- Questions for clarification of issues surrounding the proposal and/or the scope of services must be directed to Mr. M Phosa via e-mail to: mphosa@lekwalm.gov.za/Mahlatse.lekwalm@gmail.com Cell: 067 415 1157 the subject line of queries must read as follows: **Lekwa LED review Proposal**. All clarification and requests will be circulated to all bidders who have signed the compulsory site briefing attendance Register and collected a copy of the Tender documents.
- Any attempt to gain information in a manner deemed to be unfair or disadvantageous to other bidders or any attempt to influence the outcome of the evaluation will result in immediate disqualification from the bid process.
- All costs associated with any aspect of developing a response to this tender including, but not limited, to transport, accommodation, document collection and document delivery are for the Bidder's account.
 - Although Council has endeavoured to provide bidders with as much information as possible, it makes no guarantee as to either the completeness or accuracy of the scope of services set out herein. It is the responsibility of the Bidder to clarify any uncertainties and/or to confirm any assumptions made.
 - Council does not take any responsibility whatsoever in respect of errors in the bid submissions.
 - The successful bidder will be required to enter into a formal contract with the Lekwa, which will be on the same terms and subject to the same conditions as set out in this document.

12 Confidentiality of Bids

By submission of a proposal, the Bidder warrants that:

- The price in the proposal has been arrived at independently, without consultation, communication, agreement or collusion for restricting fair competition.
- Unless otherwise required by law, the prices, which have been quoted in the proposal, have not knowingly been disclosed by the bidder, directly or indirectly to any other bidders or competitors nor will they be so disclosed.
- No attempt has been made or will be made by the bidder to influence any other person or entity to submit or not to submit a bid for restricting fair competition.
- The bidder has adhered to the highest standard of business ethics.
- This tender issued by Council, and the bid submitted by the bidder shall be treated as strictly confidential and no aspects thereof shall be disclosed to any third parties, except as necessary for the purpose thereof.

13 Validity of a Bid

A bidder, when submitting a proposal for the appointment as the applicant, will undertake to keep the said proposal open for a period of ninety (90) days from the date of closure of the bid. Should a bidder withdraw their offer before expiry of the validity date, Council reserves the right to claim damages equivalent to the extent Council may suffer in respect of a less favourable offer, against such Bidder.

14 Price Schedule

PHASES	% PAYABLE	TIME FRAMES	SUBMISSION/ OUTPUT	PROPOSED BUDGET
Phase 1: Project Inception	5%	2 Weeks	Phase 1: Inception Report	
Phase 2: Situational Analysis	30%	1 Month	Phase 2: Status Quo Assessment Report	
Phase 3: Drafting if the Local Economic Development Strategy	35%	1 Month	Phase 3: Draft LED Strategy	
Phase 4: Final LED Strategy with Implementation Plan, and Monitoring & Evaluation Framework	15%	1 Month	Phase 4: Final LED Strategy with Implementation Plan, and Monitoring & Evaluation Framework	
Phase 5: Close out report.	15%	2 Weeks	Phase 5: Close Out Report	
Total	100%	4 Months		

15 Evaluation Criteria

Proposals will be evaluated in terms of the Lekwa LM Supply Chain Management Policy, which conforms to the MFMA and PPPFA provisions. The evaluation process will be conducted in two phases, namely functionality and price. The 80/20 preference point system will be used as prescribed by the Preferential Procurement Policy Framework Act (Act No.5 of 2000) and the Preferential Procurement Regulations of 2017.

NB: Any bidder who scores below the minimum of 65% threshold on functionality will be eliminated and not considered further second phase.

Criteria	Degree of Measurement	Maximum Score (70)	Portfolio of Evidence
TEAM MEMBERS			
Qualification of Project Leader Spatial Planner (Urban/Town and	Honours Degree or above and Experience	5	Certified copies of qualifications, Professional

Regional Planning.	Degree/B.Tech and Experience	3	Certificate and CV
	National Diploma and Experience	2	
	No Qualifications and Experience	0	
Economist	Honours Degree or above and Experience	5	Certified copies of qualifications, Professional Certificate and CV
	Degree/B.Tech and Experience	3	
	National Diploma and Experience	2	
	No Qualifications and Experience	0	
Environmental Management Specialist	Honours Degree and Experience	5	Certified copies of qualifications, Professional Certificate and CV
	Degree/B.Tech and Experience	3	
	National Diploma and Experience	2	
	No Qualifications and Experience	0	
Mining Engineer	Honours Degree and Experience	5	Certified copies of qualifications, Professional Certificate and CV
	Degree/B.Tech and Experience	3	
	National Diploma and Experience	2	
	No Qualifications and Experience	0	
Agricultural Scientist/Engineer	Honours Degree and Experience	5	Certified copies of qualifications, Professional Certificate and CV
	Degree/B.Tech and Experience	3	
	National Diploma and Experience	2	
	No Qualifications and Experience	0	
Tourism Management Specialist	Honours Degree and Experience	5	Certified copies of qualifications, Professional Certificate and CV
	Degree/B.Tech and Experience	3	
	National Diploma and Experience	2	

	No Qualifications and Experience	0	
Logistics Management Specialist/Supply Chain Management Specialist	Honours Degree and Experience	5	Certified copies of qualifications, Professional Certificate and CV
	Degree/B.Tech and Experience	3	
	National Diploma and Experience	2	
	No Qualifications and Experience	0	
Experience of the Bidder (Company)			
Bidders experience in the development of Local Economic Development Strategy/Economic Development Feasibility Studies	3 or more projects in the development of Local Economic Development Strategy/Economic Development Feasibility Studies.	30	Appointment Letters and Completion Certificates/Letters
	2 projects in the development of Local Economic Development Strategy/Economic Development Feasibility Studies.	20	
	1 project in in the development of Local Economic Development Strategy/Economic Development Feasibility Studies.	10	
Project Methodology Covering all the deliverables. <i>All direct repetition of TOR without demonstrated core understanding will be limited to a score of Poor = 1</i>	Clear methodology with deliverables, personnel, budgeting, time frames etc.	5	Methodology
	Less detailed methodology	2	
Total scores			

16 Project Monitoring

There will be a Steering Committee established to manage project's lifespan. The municipality will be responsible for over-all performance monitoring of a successful servicer provider, including final approval of

reports, proposal and ensuring payment of approved invoices. The Municipality will appoint a team leader to be responsible for day to day management of the project and will act as the interface with the service provider, but not to do the work on behalf of the service provider

The service provider is expected to work closely with the Steering Committee that will be comprised of the municipality and key stakeholders.

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)					
BID NUMBER:		CLOSING DATE:		CLOSING TIME:	
DESCRIPTION					
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)					
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]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> 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		CONTACT PERSON	
CONTACT PERSON		TELEPHONE NUMBER	
TELEPHONE NUMBER		FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	
E-MAIL ADDRESS			

DECLARATION OF INTEREST

No bid will be accepted from persons in the service of the state*.

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:

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.

.....

* 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.

.....

3.8 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.

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

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

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

YES / NO

YES / NO

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

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	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 <input type="checkbox"/>	No <input type="checkbox"/>
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 <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

MBD 9

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.

MBD 9

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 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.

MBD 9

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

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

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, 2017.

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 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

- a) The value of this bid is estimated not to exceed R50 000 000 (all applicable taxes included) and therefore the 20 preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 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) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“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 goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
- 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE**3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS**

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

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 P_s \quad 80 \quad 1 \quad \frac{P_t - P_{\min}}{P_{\min}} & \text{or} & P_s \quad 90 \quad 1 \quad \frac{P_t - P_{\min}}{P_{\min}}
 \end{array}$$

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (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 (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

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

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

- 6.1 B-BBEE Status Level of Contributor: . =..... (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(*Tick applicable box*)

YES		NO	
-----	--	----	--

7.1.1 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
or QSE (*Tick applicable box*)

YES		NO	
-----	--	----	--

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:

8.2 VAT registration number:

8.3 Company registration number:

8.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One-person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

8.6 COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provider

Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number:

8.8 Total number of years the company/firm has been in business:

8.9 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 contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificates, 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 paragraphs 1.4 and 6.1, 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 contributor 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) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a

fraudulent basis, be restricted by the National Treasury 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.

<p>WITNESSES</p> <p>1.</p> <p>2.</p>	<p>.....</p> <p>.....</p> <p>SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE:</p> <p>ADDRESS</p>
---	--

SECTION 4.3: MUNICIPAL RATES AND SERVICES

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

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

DECLARATION

I, THE UNDERSIGNED (NAME)

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

.....
.....

Signature

Date

