

Mayibuye Transport Corporation:

APPOINTMENT OF SHORT-TERM  
INSURANCE BROKER SERVICES  
FOR A DURATION OF THREE (3)  
YEARS

**Bid Number:** MTC 2023/24/07

**Prepared For:** Prospective Services and Service Providers

**Prepared by:** MTC Bid Specification Committee

Mayibuye Transport Corporation

**MTC Bid Specification**

Mayibuye Transport Corporation  
P.O. Box 19596, Tecoma  
5214, East London  
Province of the Eastern Cape  
Phone 043.745.2582 • Fax 043.745.2586

**Disclaimer**

The following document is made only to, and is directed only at, persons to whom such a document may lawfully be communicated (“relevant persons”). Any person who is not a relevant person should not act or rely on this document or any of its contents.

This document contains forward-looking statements that are subject to risks and uncertainties, including statements about Mayibuye Transport Corporation’s beliefs and expectations.

These forward-looking statements are based on assumptions that Mayibuye Transport Corporation has made in light of its experience in the industry in which it operates, as well as its perceptions of historical trends, current conditions, expected future developments and other factors which Mayibuye Transport Corporation believes are appropriate under the circumstances. Relevant persons should understand that these statements are not guarantees of future performance or results.

Due to these factors, Mayibuye Transport Corporation cautions that relevant persons should not place undue reliance on any forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise from time-to time, and it is impossible to predict these events or how they may affect Mayibuye Transport Corporation.

**To obtain additional information and/or copies of this document, please contact:**

Bid Specification Committee Chair  
[mdal@mtcec.co.za](mailto:mdal@mtcec.co.za)

## DOCUMENT HISTORY AND VERSION CONTROL

Document	<b>MTC – Short-Term Insurance Service Provider/Broker</b>
Bid Number	<b>MTC 2023/24/07</b>
Document Reference	
Version	Version 1, Final Draft Created by: Finance Department
Applicable To	The MTC CEO; the MTC Supply Chain Management Division and the MTC Bid Evaluation Committee; The MTC Bid Procurement Committee
Contact Person	Asset Management Specialist: Mr M Ntisana
Status	Version 1,
Date of Next Review	N/A
Legal Framework	Public Finance Management Act (Act No. 1 of 1999 as amended by Act No. 29 of 1999) National Treasury Regulations Preferential Procurement Regulations, 2022
Related Documents	MTC Procurement Policy

## TABLE OF CONTENTS

DOCUMENT HISTORY AND VERSION CONTROL .....	3
TABLE OF CONTENTS .....	4
1. DEFINITIONS .....	5
2. INTRODUCTION.....	6
3. BACKGROUND.....	6
4. AIM AND OBJECTIVES .....	7
5. CONTACT PERSON: .....	7
6. TECHNICAL SPECIFICATION:.....	7
7. CONTRACTOR.....	10
8. AGREEMENT.....	10
9. AGREEMENT PERIOD .....	10
10. PARTIES .....	10
11. DEPOT MANAGEMENT .....	10
12. TERMINATION OF SERVICES .....	10
13. SERVICE LEVEL AGREEMENT ELEMENTS.....	11
14. COMPLIANCE .....	11
15. FUNCTIONALITY .....	14
16. TENDER AWARDING PROCEDURE .....	19
17. CONDITIONS .....	21
18. APPROVAL.....	23

## 1. DEFINITIONS

In this document, unless the context indicates otherwise the following meaning(s) are associated with each related term and/or abbreviation -

Term /Abbreviation/Acronym	Meaning
<b>CEO</b>	Chief Executive Officer
<b>Certified</b>	Stamped and signed by a Commissioner of Oaths
<b>CFO</b>	Chief Finance Officer
<b>COO</b>	Chief Operations Officer
<b>Contract</b>	Means the Agreement that results from the acceptance of a bid by government department of organ of state.
<b>Corporation</b>	Mayibuye Transport Corporation
<b>Functionality</b>	Means the measurement according to predetermined norms, as set out in the Bid Document, of a service or commodity that is designed to be practical and useful, adding value to the operations of MTC, working or operating, taking into account, among other factors the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder.
<b>EM</b>	Executive Manager
<b>Executive Authority</b>	The Member of the Provincial Executive Council who is accountable to the Provincial Legislature for that public entity or in whose portfolio it falls
<b>MTC</b>	Mayibuye Transport Corporation
<b>MTC Vehicles</b>	All vehicles i.e. buses and pool vehicles that are registered and owned by M.T.C.
<b>NTR</b>	National Treasury Regulations
<b>OBC</b>	On-board Computer
<b>Overall Vehicle Co-ordinator</b>	The overall vehicle coordination shall be the responsibility of the Fleet Management Officer
<b>PAR</b>	Paragraph
<b>PFMA</b>	Public Finance Management Act (Act No. 1 of 1999 as amended by Act No. 29 of 1999).
<b>PPPFA</b>	Preferential Procurement Policy Framework Act (Act No. 5, 2000)
<b>SARS</b>	South African Revenue Service

Term /Abbreviation/Acronym	Meaning
SCM	Supply Chain Management
SLA	Service Level Agreement
SMS	Short Message Service

## 2. INTRODUCTION

- 2.1. The Mayibuye Transport Corporation operates as a state-owned bus passenger transport service provider belonging to the Eastern Cape Provincial Government.
- 2.2. The Vision of the MTC is to become the Public Transporter of Choice.
- 2.3. It is the mission of the MTC to provide a safe, reliable, affordable public transport service that is responsive to its environment.
- 2.4. The prices tendered must be valid for 150 days.
- 2.5. There will be a briefing session for this tender, details of which will form part of the advertisement.
- 2.6. All submissions must be made electronically to the email address provided by the closing date and time, as advertised, to: tendersubmissions@mtcec.co.za.
- 2.7. All submissions must be indexed appropriately.

## 3. BACKGROUND

In the normal course of business, the MTC encounters numerous risks, in order to mitigate these, MTC will cost effectively transfer some of it by taking short-term insurance cover on its business assets. The MTC has the following offices and assets, across the central region, in the Province of the Eastern Cape:

Name of Depot	Location of Nearest Town/City	
MTC Head-office, Vincent	East London	This property is leased and contains moveable assets owned by MTC.
Reeston Depot	East London	This owned property is a Depot with office and workshop facilities. It stores busses allocated to it, with various workshop equipment, office furniture and equipment used in the administrative and workshop buildings. Some of these properties are situated in industrial areas, some in residential areas with proximity to schools, municipal roads, and industrial areas.
Zwelitsha Depot	Zwelitsha	
Queenstown Depot	Komani	
Alice Depot	Dikeni	

## 4. AIM AND OBJECTIVES

The Corporation hereby invites tenders from reputable Short-term Insurance Intermediaries, who are members of the Financial Intermediaries Association (F.I.A.) and who comply with the Financial Advisory and Intermediary Services (F.A.I.S.) Act, for the Management of the Short-term Insurance Portfolio of the Corporation for a period of 36 months from date of appointment.

Please note this is a Broker Services Tender only, submissions should include brokerage fees and separately, quotations from insurance underwriters.

## 5. CONTACT PERSON

The Asset Manager, or his/her delegate will be an intermediary between the Supplier and the Corporation management. The details will be furnished after reaching an agreement with the successful service provider.

## 6. TECHNICAL SPECIFICATION

### SCOPE AND DELIVARABLES

Proposals are requested from Insurance Intermediaries/ Brokers who have experience and proven ability in negotiating and securing adequate insurance cover and other insurance related services for all Mayibuye Transport Corporation's assets. The MTC asset base to be insured at estimated replacement cost, includes the following:

Summary of asset classes	Number of Insurable Assets	Sum of Estimated Replacement Value
Reeston Depot	Workshop, Building and perimeter	11 725 000.00
Zwelitsha Depot	Workshop, Building and perimeter	11 725 000.00
Queenstown Depot	Workshop, Building and perimeter	5 025 000.00
Alice Office Depot	Workshop, Building and perimeter	5 025 000.00
Busses	73	204 400 000.00
Motor vehicles	9	4 950 000.00
Furniture and Fixtures	5	36 441.00
Office Equipment	318	7 811 895.03
Operating Equipment	12	1 301 585.79
Workshop Equipment	42	1 921 126.13
<b>Grand Total</b>		<b>253 921 047.95</b>

This asset base and operational risks require Asset and Business cover, as well as Motor Insurance, as summarised below.

### Asset and Business Cover

- Fire

- Buildings Combined
- Office Contents
- Money
- Glass
- Public Liability – in Depots
- Group Personal Accident
- Electronic Equipment
- Small Craft
- Business All Risks
- Claims Preparation Costs
- Extended Public Liability (SHA)
- Cyber Insurance
- Indemnity cover e.g. Covering Board Members

### **Motor Insurance**

- Roadside & Accident Assistance
- Motor Fleet & Fleet Tracker
- Passenger liability
- Third party risk
- Theft

The broker is to outline in the proposal the short- term insurance advisory services it offers to its clientele and the claims handling processes.

The bidder must clearly indicate the value-add products/serves on offer and ensure that services are in line with industry standards and that they are quoted for.

The broker must be registered with the Financial Sector Conduct Authority (FSCA) and submit a copy of the FSCA License Certificate, furthermore the broker is to confirm support for the Financial Services Charter as well as adhere to the King III guidelines.

#### **6.1. CLAIMS SERVICES**

The broker will provide claims handling service. All claims will be managed by Tenderer and settled by the responsible underwriters.

The bidder must provide a dedicated Claims Consultant for the duration of the contract once appointed. The service provided includes:

- Reporting of claims;



- Arrangement of assessments;
- Assisting with the formulating of claims;
- Monitoring and follow up of claims;
- Liaising with Loss Adjusters;
- Negotiating with underwriters;
- Preparation of management reports in respect of claims;
- Conducting loss analysis as well as highlighting particular areas of concern;
- Statistical analysis as well as projections for the setting of loss retention levels and the like;
- Maximum of thirty (30) calendar days turn-around time for outcome of claim from the date of submission of claim.

## 6.2. PERFORMANCE MANAGEMENT

The following will form part of MTC performance review criteria:

- Monthly Progress Meetings, or as and when required.
- Monthly claims history, or as and when required.
- Maximum of 30 days turn-around time for the outcome of claim from date of submission.

The performance criterion is to ensure MTC is not compromised due to the following:

- Service providers Portfolio Changes.
- Service providers HR Capacity.
- Service providers Financial Viability, and
- Other relevant matters that could impact the service provider.

The broker must ensure the following:

- Ensure that MTC is adequately insured at all times and that all items not insured are declared and accepted by MTC.
- Ensure that the asset list is updated continuously to include all new assets.
- Ensure that MTC is continuously advised on any suggested changes to the policy or make recommendations regarding insurable risk to the MTC.
- Ensure that MTC is assisted with all placements, renewal and reporting obligations and all other obligations relating to insurance.

- Facilitate the relationship between the MTC and the underwriter(s) and ensure transitional plan is executed for the next appointed service provider that is awarded the tender.

The performance of the service provider will be reviewed annually.

## **7. CONTRACTOR**

The person or persons, partnership, closed corporation, firm or company who's tender for this service was accepted.

## **8. AGREEMENT**

This comprises the agreement to be signed by the successful bidder and MTC, the conditions of tender and the specifications thereof.

## **9. AGREEMENT PERIOD**

This is the period during which the service is to be rendered and originally determined in the agreement, or as amended, extended, or renewed in accordance with stipulations of the agreement, which is 36 Month.

## **10. PARTIES**

Mayibuye Transport Corporation, hereinafter referred to as the MTC and the successful bidder, hereinafter referred to as the Service Provider.

## **11. DEPOT MANAGEMENT**

The person /s in charge of the specific Centre and who is/are official/s acting on behalf of the MTC.

## **12. TERMINATION OF SERVICES**

Should the Service Provider fail to meet the conditions of this contract, or continue rendering unsatisfactory service, MTC reserves the right to terminate the contract, with the permission of MTC Board, and after written

notification has been served on the Contractor, with retention of the right to recover from the Contractor any losses which MTC may suffer/incur as a result of the failure, without prejudicing any other rights it may have.

- The MTC may terminate the contract immediately should the Contractor no longer qualify for continued service.

### **13. SERVICE LEVEL AGREEMENT ELEMENTS**

- The following elements will be reflected in the Service Level Agreement with penalties for non-compliance.
- A de-merit system with penalty points shall apply for certain aspects of non-compliance. Penalty points on scale of one to ten will be given to all transgressions, which will translate into monetary deductions from all monies due or payable to the service provider.
- The above should enhance security at all levels as the monitoring company's interest will be in quality control and the service provider will be forced to deliver service of a very high standard. Repeat offenders will be cautioned and the necessary steps will be taken if the level of service does not improve.
- All theft/losses and transgressions will be recovered from the service provider in conjunction with a demerit nut in place. All offences will be converted to money for all the transgressions.
- A company will be made to sign a credit note for the deductions of transgressions. Clients will be advised on all actions to be taken against the company.

### **14. COMPLIANCE**

Bidders are required to include in their bid document the following:

- 14.1. A certified copy of the business registration documents issued by either the Companies and Intellectual Property Commission (CIPC) or the Department of Trade and Industry.
- 14.2. Bidders are to submit confirmation of their registration on the centralised supplier database.
- 14.3. Bidders are to submit the following Industry Compliance Information:

- 14.3.1. Submit a certified copy of their Financial Sector Conduct Authority (FSCA) FSCA License.
  - 14.3.2. Submit a certified copy of Financial Intermediaries Association (FIA) membership.
  - 14.3.3. Proof of Professional Indemnity Cover.
  - 14.3.4. Proof of Claims settling Mandate.
  - 14.3.5. Proof of Electronic Insurance Claims Handling system.
  - 14.3.6. Proof that bidder is ISO compliant.
- 14.4. A Certified copy of the identity document for each of the company directors or owners as they appear in the business registration documents as per 4.1 above.
- 14.5. Original and signed MTC SBD 1 Form "Invitation to Bid". Each page must be initialled.
- 14.6. Original and signed MTC SBD 3.1 Form "Firm Pricing Schedule." Each page must be initialled.
- 14.7. Original and signed MTC SBD 4 Form "Declaration of Interest". Each page must be initialled.
- 14.8. Original and signed MTC SBD 6.1 Form "Preferential Points Claim Form". Each page must be initialled.
- 14.9. Original and signed MTC SBD 8 Form "Past Supply Chain Practices". Each page must be initialled.
- 14.10. Original and signed MTC SBD 9 Form "Certificate of Independent Bid Determination". Each page must be initialled.
- 14.11. Complete checklist as per below.
- 14.12. Failure to submit any of the above documents may render the proposal non-responsive and it will be disqualified from the bid process. Where possible the corporation reserves the right to request further particulars

No	Description	Tenderer to Tick	For Official Use	
1	<b>Authority to sign a bid</b> (Is the form duly completed?)		C	
2	<b>Tax Clearance Certificate</b> (Is an ORIGINAL and VALID Tax Clearance Certificate attached)		C	
3	<b>Declaration of Interest</b> (Is the form duly completed and signed?)		C	
4	<b>Declaration Certificate of Local Production and Content</b> (Is the form duly completed and signed?)		C	
5	<b>Declaration of Past Supply Chain Practices</b> (Is the form duly completed and signed?)			

No	Description	Tenderer to Tick	For Official Use	
6	<b>Certificate of Independent Bid Determination</b> (Is the form duly completed and signed?)			
7	<b>Experience of Tenderer</b> (Is the form duly completed with relevant experience detailed and signed?)		C	
8	<b>Scope of Work/ Terms of Reference</b> (Is the form duly completed and signed?)		C	
9	<b>Form of Offer</b> (Is the form duly completed and signed?)		C	
10	<b>Central Supplier Database Registration</b> (Is the form duly completed and signed? Are ALL the supporting documents attached?)		C	

<b>SIGNATURE</b>		<b>NAME (PRINT)</b>	
<b>CAPACITY</b>		<b>DATE</b>	
<b>NAME OF THE BIDDER</b>			

## 15. FUNCTIONALITY

The evaluation of technical proposals will be on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria and point system indicated below. Each responsive proposal will be given a technical score. A proposal considered to be unsuitable shall be rejected at this stage if it does not respond to important aspects of the Terms of Reference. The MTC shall notify bidders of the rejection of their technical proposal after completing the selection process.

Tenders will be awarded on the absolute discretion of the Accounting in accordance with internal policies and statutory regulations. The decision will be final and binding, no correspondence will be entered into.

Technical Proposal evaluation criteria and point system:

### EVALUATION CRITERIA

- **Functionality**

NO	PRE-REQUISITES	SUB-POINT ALLOCATION	MAXIMUM POINTS AND WEIGHTING
1.	<p><b><u>Proof of Local Address:</u></b></p> <p>Bidders who have operating offices within <b><u>Eastern Cape will have an added advantage.</u></b></p> <p>Proof of address can include any of the following documents:</p> <ul style="list-style-type: none"> <li>a) Municipal Rates Account</li> <li>b) Municipal Billing Clearance</li> <li>c) Lease Contract/Proof of address</li> </ul> <p>Bidders can have operating offices outside <b><u>Eastern Cape.</u></b></p> <p>In a case of Joint Venture, the Lead partner must have operating offices within the Eastern Cape.</p> <p><b>NB: Any other forms of proof of address will NOT be considered.</b></p>	<p>15</p> <p>10</p>	<p><b><u>15</u></b></p>

NO	PRE-REQUISITES	SUB-POINT ALLOCATION	MAXIMUM POINTS AND WEIGHTING
2.	<p><b><u>Bank Rating Certificate:</u></b></p> <p>The bidder must have a Bank Rating Code C or higher (Bank rank code A to C allocated the same points).</p> <ul style="list-style-type: none"> <li>- Bank rank code A = 5</li> <li>- Bank rank code B = 4</li> <li>- Bank rank code C = 3</li> </ul> <p>Bank Rating with Code D or lower will not be considered. The Bank Rating Certificate must be stamped by the issuing Bank and must be dated within three (3) months from the bid closing date.</p> <p><b>NB:</b></p> <ul style="list-style-type: none"> <li>• <b>Bank Rating Certificates which are dated longer than three (3) months prior the closing date of the bid will not be considered.</b></li> <li>• <b>Bank account confirmation letters will not be considered for evaluation</b></li> </ul>	5	<u>5</u>
3.	<p><b><u>Company Experience</u></b></p> <p>Provide Experience in Handling Fleet Company Insurance (minimum of one – 1) with a fleet value more than R100 million. Proof must be in the form of:</p> <ul style="list-style-type: none"> <li>a) A reference letter.</li> <li>b) An appointment letter.</li> <li>c) Copy of a purchase order.</li> </ul> <p>Bidders must submit proof of Short-Term Insurance work from a minimum of four (4) of its clientele with a minimum rand value of R100mil in the last 10 years. Proof must be in the form of, Appointment letters or Reference letters, or Copies of purchase orders:</p> <ul style="list-style-type: none"> <li>a) 10 years and over</li> <li>b) 5 years and over</li> </ul>	<p>3 1 1</p> <p>20 15</p>	<u>25</u>

NO	PRE-REQUISITES	SUB-POINT ALLOCATION	MAXIMUM POINTS AND WEIGHTING
	<p>c) Less than 5 years</p> <p><b>NB: Only projects completed with a duration of 12 months and above will be considered.</b></p> <p><b>The above will be vetted through reference checking</b></p>	10	
4.	<p><b><u>Proof of Team Capacity</u></b></p> <ul style="list-style-type: none"> <li>• <b>Senior Administrator/Client Liaison</b> <ul style="list-style-type: none"> <li>○ Curriculum Vitae with a minimum of Five (5) Years Short Term Insurance (STI) experience.</li> <li>○ Relevant Qualification.</li> <li>○ Regulatory Examination Certificate.</li> </ul> </li> <li>• <b>Senior Claims Administrator</b> <ul style="list-style-type: none"> <li>○ Curriculum Vitae with a minimum of Five (5) Years Short Term Insurance (STI) experience.</li> <li>○ Five (5) years' experience in STI claims management.</li> <li>○ Relevant Qualification.</li> <li>○ Regulatory Examination Certificate.</li> </ul> </li> <li>• <b>Project Director/Key Account</b> <ul style="list-style-type: none"> <li>○ Curriculum Vitae with a minimum of Ten (10) Years STI experience.</li> <li>○ Relevant Qualification.</li> <li>○ Regulatory Examination Certificate.</li> </ul> </li> </ul> <p><b>NB: Failure to submit both CV's, Copies of Qualifications and Regulatory Examination Certificate of the above will result in immediate disqualification of bid.</b></p>	<p>5</p> <p>5</p> <p>5</p>	<u>15</u>
5.	<p><b><u>Brokers Declaration:</u></b></p> <p>Bidder (broker) must submit/declare any litigation against any local authority for whatever reason in the last 5 years (in the instance there were no</p>	2	<u>2</u>



NO	PRE-REQUISITES	SUB-POINT ALLOCATION	MAXIMUM POINTS AND WEIGHTING
	<p>ligations, a document stating such must be submitted).</p> <p><b>NB: Failure to provide the above will result in immediate disqualification of the bid.</b></p>		
6.	<p><b><u>Professional Registration</u></b></p> <p>The bidder must be:</p> <ul style="list-style-type: none"> <li>• Registered with the <b>Financial Sector Conduct Authority (FSCA)</b> and submit a certified copy of the FSCA License Certificate.</li> <li>• A registered member with the Financial Intermediaries Association. A certified copy of the FIA membership certificate must be provided.</li> </ul> <p><b>NB:</b></p> <ul style="list-style-type: none"> <li>• <b>Proof of registration certificates that are not certified or certified longer than three (3) months from the date of closing of the bid will not be considered.</b></li> <li>• <b>Failure to provide proof of both registration with the FSB and FIA will result in immediate disqualification of the bid.</b></li> </ul>	<p style="text-align: center;">1</p> <p style="text-align: center;">1</p>	<p><b><u>2</u></b></p>
7.	<p><b><u>Methodology</u></b></p> <p>The bidder should provide a detailed methodology including how the service provider will conduct services between the client, broker and underwriter as follows:</p> <ul style="list-style-type: none"> <li>• Bidder must describe how it will ensure the best quote/quotations for the MTC e.g. competitive premiums and minimal exclusions.</li> <li>• Bidder must provide details of the capability and tools that will provide additional value to MTC.</li> </ul>	<p style="text-align: center;">5</p> <p style="text-align: center;">5</p>	

NO	PRE-REQUISITES	SUB-POINT ALLOCATION	MAXIMUM POINTS AND WEIGHTING
	<ul style="list-style-type: none"> <li>• Bidder must provide details on how it will ensure that the MTC stays up to date with developments in the market.</li> <li>• Bidder must outline the process of identifying and mitigating the risks that the MTC may be exposed to.</li> <li>• Bidder must describe in detail the approach it will develop in order to take over the existing Services from the Current service provider.</li> <li>• System must describe the system to be used in claims logging and tracking including turnaround times for the processing of claims.</li> </ul> <p><b>NB: Bidders are required to ensure that each response to a section is clearly marked as such in your proposal.</b></p>	<p style="text-align: center;">5</p> <p style="text-align: center;">5</p> <p style="text-align: center;">5</p> <p style="text-align: center;">5</p>	<u><b>30</b></u>
8.	<p><b><u>Other Mandatory returnables</u></b></p> <p>Bidders must submit the following mandatory returnable:</p> <ul style="list-style-type: none"> <li>• Proof of Professional Indemnity Cover.</li> <li>• Claims settling Mandate.</li> <li>• Electronic Insurance Claims Handling system.</li> <li>• Proof that bidder is ISO compliant.</li> </ul> <p><b>NB: Failure to provide any of the above will result in immediate disqualification of the bid.</b></p>	<p>1.5</p> <p>1.5</p> <p>1.5</p> <p>1.5</p>	<u><b>6</b></u>
	<p><b><u>TOTAL</u></b></p>		<u><b>100</b></u>

Threshold to qualify for the second stage of evaluation is 60 points of the functionality scores. Therefore no bid will be regarded as an acceptable bid if the bidder fails to achieve the minimum qualifying score for functionality as indicated. Successful bidders at this stage will be further evaluated in terms of the PPPFA using the 80/20 scoring.

**16. TENDER AWARDING PROCEDURE**

- 16.1. In addition to the requirements as stated, all bids will be evaluated based on price and proposal and the proposal that will best suit the corporate operational requirements of the Mayibuye Transport Corporation.
- 16.2. The bid will be evaluated based on the Preferential Procurement Policy Framework Act (Act No. 5, 2000), and the regulations pertaining thereto (2017) as well as Mayibuye Transport Corporation’s Procurement policy.
- 16.3. Received Qualifying Proposals/Bidders will be evaluated based on the following criteria, namely:
  - 16.3.1. Stage 1 – Compliance
  - 16.3.2. Stage 2 - Functionality
  - 16.3.3. Stage3 – Price and Specific Goals
- 16.4. All documents relating to mandatory compliance must be submitted by the tenderer in order to proceed to stage 2.
- 16.5. A minimum score of **60** points is required for the bid to proceed to stage 2.

**16.6. Compliance – Stage 1**

Bids will be evaluated for the submission of the documents as detailed in point 4, failure to submit the documents, as detailed therein, will render the proposal/Bid invalid and it will automatically be disqualified from the bid process.

**16.7. Functionality – Stage 2**

The technical proposal evaluation criteria and point system is noted above (point 5); The weighting that will be applied is as follows:

Score	Prompt for judgement
0	Failed to address the issue
1	A detrimental response / solution – limited or poor evidence of skill / experience sought or high risk that relevant skills will not be available

Score	Prompt for judgement
2	Less than acceptable – response / solution lacks convincing evidence of skill / experience sought or medium risk that relevant skills will not be available.
3	Acceptable response / solution to the aspect of the requirements and evidence given of skill / experience sought
4	Above acceptable – response / solution demonstrating real understanding of requirements and evidence of ability to meet it.
5	Excellent – response / solution gives real confidence that the tenderer will add real value.

The scores of each of the evaluators will be averaged, weighted, and then totalled to obtain the final score.

### 16.8. 80/20 Preference Points– Stage 3

The stage is the evaluation of the bids in line with the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

The points will therefore be allocated at this stage as follows:

CRITERIA	Points
16.8.1. Price	80
16.8.2. Specific Goals	20
16.8.3. <b>TOTAL</b>	<b>100</b>

In terms of the Procurement Policy of the Mayibuye Transport Corporation, the 20 points will be claimed by bidders in terms of the below specific goals of the Corporation:

Description	Points for Specific goals 80/20
100% Black ownership	40%
51% - 99% black ownership	10%
Less than 51% ownership	5%
Women Equity ownership	30%
Youth Equity ownership	15%
People with Disability	5%
Locality within the Eastern Cape	10%

Description	Points for Specific goals 80/20
Total	100%

**Note: bidders will claim points out of 20 according to the above percentages with those specific goals that the bidder meets. No bidder will be disqualified for not obtaining any points for specific goals but that no points will be for those specific goals not met. Proof of each claim by the bidder against the above criteria must be submitted.**

## 17. CONDITIONS

- 17.1. The service providers are invited to submit a detailed proposal, that includes the tender document, deliverables, and quotation for services to be rendered in South African Rand including VAT. A company profile should be attached as an appendix,
- 17.2. The tender must be submitted to [tendersubmissions@mtcec.co.za](mailto:tendersubmissions@mtcec.co.za) by the closing date and time as advertised,
- 17.3. The Corporation reserves the right to reject any and/or all bids, to waive any and/or all formalities and to accept the one deemed most advantageous to Mayibuye Transport Corporation and the Province of the Eastern Cape,
- 17.4. The company name and the return address must also be endorsed on the submission,
- 17.5. No tender received late or by post, telegram, telex, facsimile, or similar medium will be considered,
- 17.6. Where a tender document is not submitted by the closing date and time, such a tender document will be regarded as a late tender. Late tenders will not be considered,
- 17.7. Amended tenders may be sent marked "Amendment to tender" and should be emailed to the email provided before the closing date and time,
- 17.8. The tenderer is responsible for all the cost that they shall incur related to the preparation and submission of the tender document,
- 17.9. Kindly note that Mayibuye Transport Corporation is entitled to amend any tender conditions, validity period, specifications or extend the closing date of tenders before the prescribed closing date. All tenderers, to whom the tender documents have been issued, will be advised in writing of such amendments,
- 17.10. The Corporation reserves the right not to accept the lowest tender or any tender in part or in whole. It normally awards the contract to the tenderer who proves to be fully capable of

handling the contract and whose tender is technically acceptable and/or financially advantageous to Mayibuye Transport Corporation – (in line with the MTC social aspirations);

- 17.11. The Corporation also reserves the right to award this tender as a whole or in part without furnishing reasons.
- 17.12. The Corporation also reserves the right to cancel or withdraw from this tender as a whole or in part without furnishing reasons.
- 17.13. The tenderer hereby offers to render all or any of the services described in the attached documents to the Corporation on the terms and conditions and in accordance with the specifications stipulated in this Tender document (and which shall be taken as part of, and incorporated into, this Proposal at the prices inserted therein);
- 17.14. This proposal and its acceptance shall be subject to the terms and conditions contained in this tender document.
- 17.15. Tenders submitted by Companies must be signed by a person or persons duly authorised thereto by a resolution of a Board of Directors, a copy of which Resolution, duly certified be submitted with the Tender.
- 17.16. The tenderer hereby agrees that the offer herein shall remain binding upon him/her and receptive for acceptance by the Corporation during the validity period indicated and calculated from the closing hour and date of the Tender,
- 17.17. The tenderer furthermore confirms satisfaction regarding the correctness and validity of this Tender response and that all prices and rates quoted cover all the work / items specified in the Tender response documents and that prices and rates quoted cover all obligations under any resulting contract and that the tenderer accepts that any mistakes regarding prices and calculations will be at their own risk.
- 17.18. The tenderer hereby accepts full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under this agreement as the Principal(s) liable for the due fulfilment of this contract.
- 17.19. Failure to comply with any of the terms and conditions as set out above will invalidate the tender.
- 17.20. Completion and signature of the “Details of the Tenderer” (Respondent) form (Form SBD1) are mandatory and confirm acceptance of these Terms and Conditions of Tender. Where the SBD1 document is not signed by the person authorised to sign, the bid will be disqualified.
- 17.21. The successful bidder will be required to enter and sign a Service Level Agreement which will apply for the duration of the contract term.

17.22. Tenders submitted are to be valid for a period of 150 days i.e. 90 days of Trial Run and additional 60 days thereafter.

**Note that all General Conditions of Contract terms will apply.**

## 18. APPROVAL

RECOMMENDED

NOT RECOMMENDED



30 November 2023

---

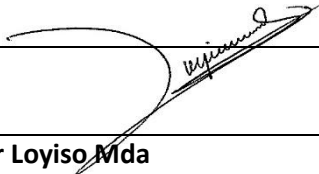
**Mr. M. Ntisana**  
**Asset Management**

---

**Date**

RECOMMENDED

NOT RECOMMENDED



30 November 2023

---

**Mr Loyiso Mda**  
**Chairperson; Bid Specification Committee**

---

**Date**

APPROVED

NOT APPROVED

COMMENT:

---

Approved on condition all applicable policies, legislation and procedures are adhered to.

---



18 January 2024

---

**Ms PN Roboji**  
**Chief Executive Officer**

---

**Date**