



SCM Division  
Radio Park, Henley Road  
Auckland Park 2092  
Johannesburg  
Private Bag X1  
Auckland Park 2006  
Tel. +11 714-4764  
Fax + 11 714-4000  
URL [www.sabc.co.za](http://www.sabc.co.za)  
E-mail: [NemukulaN@sabc.co.za](mailto:NemukulaN@sabc.co.za)

**REQUEST FOR QUOTATION (RFQ)**

RFQ	RFQ/FIN/2022/82
RFQ ISSUE DATE	19 JULY 2022
RFQ DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER FOR THE DEVELOPMENT AND IMPLEMENTATION OF ROBOTIC PROCESS AUTOMATION FOR A PERIOD OF THREE (3) YEARS
NON-COMPLUSORY BRIEFING SESSION	N/A
CLOSING DATE & TIME	10 AUGUST 2022 AT 12H00

**Submissions must be electronically submitted to [RFQSubmissions@sabc.co.za](mailto:RFQSubmissions@sabc.co.za) on or before the closing date of this RFQ,**

**PLEASE NOTE THAT AS FROM 01 JULY 2016 COMPANIES THAT ARE NOT REGISTERED WITH CSD SHALL NOT BE CONSIDERED**

For queries, please contact **Nyandano Nemukula** on this email [tenderenquiries@sabc.co.za](mailto:tenderenquiries@sabc.co.za)  
The SABC requests your quotation on the services listed above. Please furnish us with all the information as requested and return your quotation on the date and time stipulated above. Late and incomplete submissions will invalidate the quote submitted.

SUPPLIER NAME: \_\_\_\_\_

POSTAL ADDRESS: \_\_\_\_\_

TELEPHONE NO: \_\_\_\_\_

FAX NO. : \_\_\_\_\_

E MAIL ADDRESS: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

CELL NO: \_\_\_\_\_

SIGNATURE OF BIDDER: \_\_\_\_\_

South African Broadcasting Corporation SOC Limited: Registration Number: 2003/023915/30

**Non-Executive Directors:** Mr B E Makhathini (Chairperson); Ms M Mohlala-Mulaudzi (Deputy Chairperson); Prof S Cooper; Adv M B B Lekalakala; Mr D M Maimela; Mr M G Markovitz; Mr D K Mohuba; Ms J Patel; Mr J H Phalane; Ms M B Papayya; Dr M Socikwa

**Executive Directors:** Mr M T Mxakwe (Group Chief Executive Officer); Mr I C Plaatjes (Chief Operations Officer); Ms Y van Biljon (Chief Financial Officer); **Company Secretary:** Ms L V Bayi

## **NOTES ON QUOTATIONS AND PROPOSALS SUBMISSION**

1. All electronic submissions must be submitted in a **PDF** format that is protected from any modifications, deletions, or additions.
  2. Financial/pricing information must be presented in a **separate** attachment from the Technical / Functional Response information.
  3. The onus is on the Bidder to further ensure that all mandatory and required documents are included in the electronic submission.
  4. All submissions should be prominently marked with the following details in the email subject line:
    - **RFQ Number and bidders' name.**
  5. Bidders are advised to email electronic submissions at least thirty minutes before the bid closing time to cater for any possible delay in transmission or receipt of the bid. The onus is on bidder to ensure that the bid is submitted on time via email
  6. Tender submission emails received after submission date and time will be considered late bid submissions and will not be accepted for consideration by SABC.
  7. SABC will not be responsible for any failure or delay in the email transmission or receipt of the email including but not limited to:
    - receipt of incomplete bid
    - file size
    - delay in transmission receipt of the bid
    - failure of the Bidder to properly identify the bid
    - illegibility of the bid; or
    - Security of the bid data.
- **NB: THE BIDDER SHOULD ENSURE THAT LINKS FOR WETRANSFER AND GOOGLE DROP BOX EXPIRE AFTER 30 DAYS OF THEIR SUBMISSIONS INSTEAD OF 7 DAYS.**

## REQUIRED DOCUMENTS

- 1.1 Submit proof CSD registration
- 1.2 Proof of Valid TV License Statement for the Company; all active Directors and Shareholder must have valid TV Licenses.  
(Verification will also be done by the SABC internally).
- 1.3 Valid Tax Clearance Certificate or SARS “Pin” to validate supplier’s tax matters
- 1.4 Original or Certified copy of Valid BBEE Certificate (from SANAS accredited Verification Agency)
- 1.5 All EME’s and 51% black Owned QSE’s are only required to obtain a **sworn affidavit** on an annual basis, confirming the following;
  - 1.4.1 Annual Total Revenue of R10 Million or less (EME) or Revenue between R10 Million and R50 Million for QSE
  - 1.4.2 Level of Black Ownership

### **Note 1:**

**Verification Agencies and Auditors who are accredited by the IRBA (Independent Regulatory Board for Auditors) are no longer the ‘approved regulatory bodies’ for B-BBEE verification and therefore IRBA auditors are not allowed to issue B-BBEE certificates after 30 September 2016.**

### **Note 2:**

**Any misrepresentation in terms of the above constitutes a criminal offence as set out in the B-BBEE act as amended.**

- 1.6 Certified copy of Company Registration Document that reflect Company Name, Registration number, date of registration and active Directors or Members.
- 1.7 Certified copy of Shareholders’ certificates.
- 1.8 Certified copy of ID documents of the Directors or Members.

**NB: NO CONTRACT WILL BE AWARDED TO ANY BIDDERS WHO’S TAX MATTERS ARE NOT IN ORDER.**

**NO CONTRACT WILL BE AWARDED TO ANY BIDDERS WHO’S TV LICENCE STATEMENT ACCOUNT IS NOT VALID.**

## 1. BACKGROUND

The SABC has more than 650 registered and active vendors. A minimum of 3000 transactional activities excluding accruals are processed on SAP for these vendors monthly. It entails processing of transactions from GRN/SES, GR/IR processing, invoice processing, payment, and the final accrual process. A lot of manhours and costs are spent on supplier account reconciliations and clearing. Currently the SABC has approximately 11 employees predominantly employed to capture supplier invoices and prepare reconciliation at a cost of ±R7.2m per year. This is inefficient and the manhours could be used to fill other positions in the SABC and save costs and be utilised in more value adding processes.

The RPA solution will allow suppliers to email invoices and statements to a central monitored email address, the system robots will read the invoices, initiate workflows, process it on SAP, and create journals for release. The RPA process will monthly perform supplier reconciliations faster than what humans can do and hence reduce the month-end and year-end close cycle. There will be exception reports and release mechanisms to allow reviews by humans and address any exceptions that may arise.

## 2. SCOPE OF WORK

- Testing the design of the automated control through a baselining process over the coding and configuration settings (as applicable) behind the automation to confirm that it follows the business logic defined by the company, including the policies over the identification and reporting of exceptions.
- Bots should be configured to detect and report errors and raise exceptions to bot managers to be addressed in real time.
- Access security — Understanding user roles and system and data access needs for bots interacting with core systems to prevent unauthorized users from accessing and manipulating RPA's confidential data processing rule sets and the connected data sources.

- Providing for the integrity of the information that is processed, stored, or communicated by the relevant aspects of the IT infrastructure is critical to maintaining effective ICFR related to bots. In addition, companies may need to evaluate third-party data privacy concerns when a bot stores data in the cloud.
- Implement and run bots for a 2-month period.
- Assist in structuring data received – analysis report.

## **2.1 Implementation**

The Bot should ideally perform the function for invoicing processing as follows:-

- Invoice and supplier statement receiving through agreed portals not limited to email.
- Invoice to PO matching – on a line-by-line basis.
- Link invoices to contracts for IE reporting.
- Allow for payment without contracts.
- Read invoice and route to appropriate person,
- Email notification for approval and escalation rules.
- Process on SAP and capture the invoice triggering SES required workflows for approval (GRNs?)
- Process tax (VAT) correctly.
- Receive supplier statement and each month end capture the supplier statement balance on the supplier reconciliation SAP module/solution.
- Send monthly request emails for invoices and statements prior to GL close.  
For reconciling items on supplier statements not on GL, create and propose additional accrual journals for review and release by a company official.
- reconciling items are rejected, send an email to the supplier requesting for amendments and reasons as provided by the company official.

## **2.2 Monitoring Phase**

- Provide on call support for the duration of the contract.
- Contract on a subscription basis.
- Knowledge transfer for future automation journey.
- Provide bots usage statistics and other data and metrics for measuring efficiencies.
- Be external audit ready – audit trails, file logs
  - a. Provide Accounting procedures, process-flow diagrams, and internal-control documentation that clearly articulate where and how bots are used within the accounting and finance organization

- b. include controls of the entire transaction cycle, including source data, bot outputs, and points where human intervention is required, such as investigating exceptions or making judgments.
- Performing an annual review of the automation algorithm(s) (i.e., re-establishing the baseline) to confirm alignment to the defined business objective.
- Consider shared ledger processing with key suppliers.
- Provide a framework for bot software update.

## 2.3 Reporting & Analytics

Tracking metrics and analytics are an integral part of the tool. These include: -

- a) Exception and error rate,
- b) first-pass success, straight through processing.
- c) open invoice status down to specific cost centers, suppliers, and departments.
- d) Interface with Microsoft Power BI.

## 3. RFQ Response Information

### Effective Date of Bid

Vendors should state in writing that their quotation to the SABC and all furnished information, including price, will remain valid and applicable for 90 days from the date the vendor quotation is received by the SABC.

### 3.1 Costing

The quotation must reflect a detailed cost breakdown, and any indirect costs associated with the rendering of required service as per the schedule in the **Scope of Service**.

## 4. Contract Period

Three (3) years

## 5. EVALUATION CRITERIA

### 5.1 BBBEE and Price

- The RFQ responses will be evaluated on the **80/20**-point system

### 5.2 Technical Evaluation

- The RFQ submission will be technically evaluated out of a maximum of **100**.
- A threshold of **70** out of **100** has been set.
- Bidder who obtains less **70** that will not be considered for the next phase of evaluation.

### 5.3 Objective Criteria

- The SABC further reserve the right not to award this RFQ to any bidder based on the proven poor record of accomplishment of the bidder in previous projects within the SABC.
- Bidders who are blacklisted or have committed other acts of fraud and misrepresentation of facts e.g. tax compliance, BBBEE, company financials, etc. will be eliminated from the bid process.

#### FIRST PHASE EVALUATION CRITERIA: PAPER BASED

Evaluation Area	Evaluation Criteria	Min Points	Max Points
Compliance with the given requirement	<ul style="list-style-type: none"> <li>• Provide full details of the proposed solution as per the requirement in the scope of work (Refer to Section 2 above) 30 points</li> </ul>	30	30
Company previous experience	<ul style="list-style-type: none"> <li>• Bidders must have relevant experience in Robotic Process automation development &amp; implementation</li> <li>• Submit recent (not older than 3 years) references in respect of similar work undertaken. The reference must include the company name as well as relevant contact person (with designation), contact number and email address. <b>Reference letters on a company letterhead would be preferred but are not compulsory.</b> <ul style="list-style-type: none"> <li>- Submission of three (3) or more verifiable references: 20 points</li> <li>- Submission of two verifiable references: 15 points</li> <li>- Submission between one (1) and three (3) verifiable references: 10 points</li> </ul> </li> </ul>	10	20

	- No references: 0 points		
Project Implementation and Commissioning	<ul style="list-style-type: none"> <li>• Provide a project plan detailing the approach in delivering the solution as per the requirements. 10 points</li> <li>• Include anticipated timelines and project duration (from time of contract approval) <ul style="list-style-type: none"> <li>- 1 - 6 months (up to go-live): 10 points</li> <li>- More than 6 months (up to go-live): 0 points</li> </ul> </li> </ul>	10	20
Support	Post Implementation Support: <ul style="list-style-type: none"> <li>• A minimum of one (1) month post-implementation support: 10 points</li> <li>• Telephonic support 24/7/365 days: 10 points</li> </ul>	10	20
Training	<ul style="list-style-type: none"> <li>• Proposal includes knowledge transfer to SABC finance staff, <b>5 employees</b>: 10 points</li> </ul>	10	10
<b>TOTAL</b>		<b>70</b>	<b>100</b>

## 6. ADJUDICATION USING A POINT SYSTEM

6.1 The bidder obtaining the highest number of total points will be awarded the contract

6.2 Preference points shall be calculated after process has been brought to a comparative basis considering all factors of non-firm prices.

6.3 In the event that two or more bids have scored equal points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.

6.4 However, when functionality is part of the evaluation process and two or more bids have scored equal points for B-BBEE, the successful bid must be the one scoring the highest score for functionality

6.5 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.



## 7. POINTS AWARDED FOR PRICE

The **80/20** preference point system

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

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

$P_s$  = Points scored for comparative price of bid under Consideration  
 $P_t$  = Comparative price of bid under consideration  
 $P_{\min}$  = Comparative price of lowest acceptable bid

### B-BBEE PREFERENTIAL POINTS WILL BE AWARDED AS FOLLOWS:

#### B-BBEE Status Level of Contributor Number of Points

B-BBEE Status level of Contributor	Number of points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

- 7.1 Bidders who qualify as EME's in terms of the B-BBEE Act must submit a certificate issued by a verification Agency accredited by SANAS for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates or DTI Affidavit.
- 7.2 Bidders other than EMEs must submit their original and valid B-BBEE status levels verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a verification agency accredited by SANAS.
- 7.3 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate
- 7.4 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

7.5 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

7.6 A tenderer will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intend sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended Sub-contractor is an EME that has the capacity and the ability to execute the sub-contract.

7.7 A tenderer awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capacity and the ability to execute the sub-contract.

## **8. COMMUNICATION**

Respondents are warned that a response will be disqualified should any attempt be made by a tenderer either directly or indirectly to canvass any officer(s) or employees of SABC in respect of a tender, between the closing date and the date of the award of the business.

All enquiries relating to this RFQ should be emailed three days before the closing date.

## **9. CONDITIONS TO BE OBSERVED WHEN TENDERING**

- The Corporation does not bind itself to accept the lowest or any tender, nor shall it be responsible for or pay any expenses or losses which may be incurred by the Tenderer in the preparation and delivery of his tender. The Corporation reserves the right to accept a separate tender or separate tenders for any one or more of the sections of a specification. The corporation also reserves the right to withdraw the tender at any stage.
- No tender shall be deemed to have been accepted unless and until a formal contract / letter of intent is prepared and executed.
- The Corporation reserves the right to:

**Not evaluate and award submissions that do not comply strictly with his RFQ document.**

**Make a selection solely on the information received in the submissions and**

- i. Enter into negotiations with any one or more of preferred bidder(s) based on the criteria specified in the evaluation of this tender.
- ii. Contact any bidder during the evaluation process, in order to clarify any information, without informing any other bidders. During the evaluation process, no change in the content of the RFQ shall be sought, offered or permitted.
- iii. Award a contract to one or more bidder(s).
- iv. Accept any tender in part or full at its own discretion.
- v. Cancel this RFQ or any part thereof at any time.
- vi. Should a bidder(s) be selected for further negotiations, they will be chosen on the basis of the greatest benefit to the Corporation and not necessarily on the basis of the lowest costs, aligned to the BBBEE & Preference Point system.

**10. Cost of Bidding**

The Tenderer shall bear all costs and expenses associated with preparation and submission of its tender or RFQ, and the Corporation shall under no circumstances be responsible or liable for any such costs, regardless of, without limitation, the conduct or outcome of the bidding, evaluation, and selection process.

**END OF RFQ DOCUMENT**

**Annexed to this document for completion and return with the document:**

- |            |   |   |
|------------|---|---|
| Annexure A | - | Declaration of Interest                                     |
| Annexure B | - | Consortiums, Joint Ventures and Sub-Contracting Regulations |
| Annexure C | - | Previous completed projects/Current Projects                |
| Annexure D | - | SBD Form 8 & 9  |

## ANNEXURE A

### DECLARATION OF INTEREST

1. Any legal or natural person, excluding any permanent employee of SABC, may make an offer or offers in terms of this tender invitation. In view of possible allegations of favouritism, should the resulting tender, or part thereof be awarded to-
  - (a) any person employed by the SABC in the capacity of Tenderer, consultant or service provider; or
  - (b) any person who acts on behalf of SABC; or
  - (c) any person having kinship, including a blood relationship, with a person employed by, or who acts on behalf of SABC; or
  - (d) any legal person which is in any way connected to any person contemplated in paragraph (a), (b) or (c),

it is required that:

The Tenderer or his/her authorised representative shall declare his/her position *vis-à-vis* SABC and/or take an oath declaring his/her interest, where it is known that any such relationship exists between the Tenderer and a person employed by SABC in any capacity.

Does such a relationship exist? [YES/NO]

If YES, state particulars of all such relationships (if necessary, please add additional pages containing the required information):

	[1]	[2]
NAME	:	.....
POSITION	:	.....
OFFICE WHERE EMPLOYED	:	.....
TELEPHONE NUMBER	:	.....
RELATIONSHIP	:	.....

2. Failure on the part of a Tenderer to fill in and/or sign this certificate may be interpreted to mean that an association as stipulated in paragraph 1, *supra*, exists.
3. In the event of a contract being awarded to a Tenderer with an association as stipulated in paragraph 1, *supra*, and it subsequently becomes known that false information was provided in response to the above question, SABC may, in addition to any other remedy it may have:
  - recover from the Tenderer all costs, losses or damages incurred or sustained by SABC as a result of the award of the contract; and/or
  - cancel the contract and claim any damages, which SABC may suffer by having to make less favourable arrangements after such cancellation.

\_\_\_\_\_  
SIGNATURE OF DECLARANT

\_\_\_\_\_  
TENDER NUMBER

\_\_\_\_\_  
DATE

\_\_\_\_\_  
POSITION OF DECLARANT

\_\_\_\_\_  
NAME OF COMPANY OR TENDERER

## ANNEXURE B

### CONSORTIUMS, JOINT VENTURES AND SUB-CONTRACTING REGULATIONS

#### 1. CONSORTIUMS AND JOINT VENTURES

- 1.1 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 1.2 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate tender.

#### 2 SUB-CONTRACTING

- 2.1 A person awarded a contract may only enter into a subcontracting arrangement with the approval of the organ of state.
- 2.2 A person awarded a contract in relation to a designated sector, may not subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 2.3 A person awarded a contract may not subcontract more than 30% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

#### 3 DECLARATION OF SUB-CONTRACTING

- 3.1 Will any portion of the contract be sub-contracted? YES / NO
- 3.2 If yes, indicate:
  - 3.2.1 The percentage of the contract will be sub-contracted .....%
  - 3.2.2 The name of the sub-contractor .....
  - 3.2.3 The B-BBEE status level of the sub-contractor.....
  - 3.2.4 whether the sub-contractor is an EME YES / NO

\_\_\_\_\_  
SIGNATURE OF DECLARANT

\_\_\_\_\_  
TENDER NUMBER

\_\_\_\_\_  
DATE

\_\_\_\_\_  
POSITION OF DECLARANT

\_\_\_\_\_  
NAME OF COMPANY OR TENDERER

**ANNEXURE “C”****Previous completed projects (preferably provide a detailed company profile, detailed the below mentioned information)**

Project Descriptions	Client	Contact no	Contact person	Email address	Period of projects	Value of projects	Project Commence date	Completed date

**Current projects (preferably provide a detailed company profile, detailed the below mentioned information)**

Project Descriptions	Client	Contact no	Contact person	Email address	Period of projects	Value of projects	Project Commence date	Completion date

**DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions 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 disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	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)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	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 outside of 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:		
4.4	Was any contract between the bidder and any 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"/>
4.4.1	If so, furnish particulars:		

**SBD 8**

**CERTIFICATION**

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

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

Js365bW

## SBD 9

### CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD 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 (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

**SBD 9**

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

**SBD 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  
Js914w 2

.....  
Name of Bidder