



## REQUEST FOR QUOTATION (RFQ)

| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE COUNCIL FOR MEDICAL SCHEMES   |  |               |   |  |         |
|---|--|---------------|---|--|---------|
| BID NUMBER:   | RFP/CMS/CIU/20210531   | CLOSING DATE: | 19 August 2022  | CLOSING TIME:  | 12:00pm |
| DESCRIPTION   | <b>Appointment of a Curator</b>  |               |   |  |         |
| <b>BID/QUOTATION RESPONSE DOCUMENTS MUST BE EMAILED TO THE FOLLOWING ADDRESS:</b>   |  |               |   |  |         |
| <a href="mailto:RFQsubmissions@medicalschemes.co.za">RFQsubmissions@medicalschemes.co.za</a> / <a href="mailto:l.madayi@medicalschemes.co.za">l.madayi@medicalschemes.co.za</a> |  |               |   |  |         |
| <b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>   |  |               | <b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>                                  |  |         |
| CONTACT PERSON  | Ludwe Madayi   |               | CONTACT PERSON  | Sibonelo Cele  |         |
| TELEPHONE NUMBER  | 012 431 0484   |               | TELEPHONE NUMBER  |  |         |
| FACSIMILE NUMBER  | N/A  |               | FACSIMILE NUMBER  | N/A  |         |
| E-MAIL ADDRESS  | <a href="mailto:l.madayi@medicalschemes.co.za">l.madayi@medicalschemes.co.za</a>   |               | E-MAIL ADDRESS  | <a href="mailto:s.cele@medicalschemes.co.za">s.cele@medicalschemes.co.za</a>           |         |
| <b>SUPPLIER INFORMATION</b>   |  |               |   |  |         |
| NAME OF BIDDER  |  |               |   |  |         |
| POSTAL ADDRESS  |  |               |   |  |         |
| STREET ADDRESS  |  |               |   |  |         |
| TELEPHONE NUMBER  | CODE   |               | NUMBER  |  |         |
| CELLPHONE NUMBER  |  |               |   |  |         |
| FACSIMILE NUMBER  | CODE   |               | NUMBER  |  |         |
| E-MAIL ADDRESS  |  |               |   |  |         |
| VAT REGISTRATION NUMBER   |  |               |   |  |         |
| SUPPLIER COMPLIANCE STATUS  | TAX COMPLIANCE SYSTEM PIN:   |               | <b>OR</b>   | CENTRAL SUPPLIER DATABASE No:  | MAAA    |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE  | TICK APPLICABLE BOX]   |               | B-BBEE STATUS LEVEL AFFIDAVIT   | [TICK APPLICABLE BOX]  |         |
|   | <input type="checkbox"/> Yes <input type="checkbox"/> No                           |               |   | <input type="checkbox"/> Yes <input type="checkbox"/> No                               |         |
| <b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>           |  |               |   |  |         |
| <b>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</b>  | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES ENCLOSE PROOF] |               | <b>ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</b> | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES, ANSWER PART B:3 ] |         |
| <b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>   |  |               |   |  |         |

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

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

**1. BID SUBMISSION:**

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

**2. TAX COMPLIANCE REQUIREMENTS**

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER’S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE.”

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....  
 (Proof of authority must be submitted e.g. company resolution)

DATE: .....

## 1.BACKGROUND OF COUNCIL FOR MEDICAL SCHEMES

The Council for Medical Schemes is a statutory body established by the Medical Schemes Act (131 of 1998) to provide regulatory supervision of private health financing through medical schemes; and functions as a Schedule 3A Public Entity.

### VISION

To be an agile and transformative Regulator in order to **promote affordable** and **accessible** healthcare cover towards **universal health coverage**.

### MISSION

The CMS regulates the medical schemes industry in a fair and transparent manner and achieves this by:

- **Protecting the public** and informing them about their rights, obligations and other matters in respect of medical schemes.
- Ensuring that **complaints raised by members** of the public are handled appropriately and speedily.
- Ensuring that all entities conducting the business of medical schemes, and other regulated entities, **comply with the Medical Schemes Act**.
- Ensuring the improved management and **governance** of medical schemes.
- **Advising the Minister of Health** of appropriate regulatory and policy interventions that will assist in attaining national health policy objectives.
- Ensuring collaboration with other **stakeholders** in executing our regulatory mandate.

## 2. SCOPE OF WORK

Council for Medical Schemes hereby request a suitably qualified and experienced Curator for Medical Scheme as per the following scope of work:

- 2.1 Full access to the accounting records, financial statements and other information relating to the affairs of an open medical scheme with approximately 24 000 beneficiaries and a solvency in line with the regulatory requirements.
- 2.2 Must take control and manage the business of the medical scheme and ensure that the governance structure of the scheme is properly constituted in terms of the provisions set out in the Medical Schemes Act. To this end must ensure facilitation of an annual general meeting where the trustees are elected and facilitate the appointment of trustees.

- 2.3 Must implement appropriate governance structures and the administrations of the scheme in line with legislative provisions and good governance principles.
- 2.4 Must manage the affairs of the institution with greatest economy possible compatible with efficiency and, as soon as practicable report to the Registrar and indicate steps that should be taken to ensure that the medical scheme-
- 2.4.1 becomes financially sound;
  - 2.4.2 complies with the law; and.
  - 2.4.3 is properly administered.

The Bidder is required to specify the rates (***including possible disbursements***) to be charged that will be used for pricing evaluation purposes. The rates must be VAT inclusive.

The proposed fees must be arranged as per table 1 below.

### 3. EVALUATION CRITERIA

In order to facilitate a transparent selection process that allows an equal opportunity to all bidders, Council for Medical Schemes has a Supply Chain Management policy that will be adhered to. Proposals will be made in term) of the prevailing Supply Chain Management policy applicable to Council for Medical Schemes and it should be noted that proposals will be assessed using the 80/20 formula (Preference Points System) for Price and B-BBEE as indicated in the PPPFA Regulations.

#### **Kindly submit the following document:**

- Detailed CV/Profile of the proposed Curator and proposed team (with compliance, governance, business, audit, financial, legal, or audit management skills).
- Reference letters from previous clients.
- Proof of qualifications must be submitted.

**Failure to submit and meet the above stipulated requirements and documents will lead to automatic disqualification from the evaluation process.**

#### **3.2. Phase 2 - Technical Evaluation**

- The tender documents will be evaluated and ranked using a weighted average scoring system for functionality to all those bidders who were successful from Phase 2.
- The assignment of points by Council for Medical Schemes is final and will under no circumstances be open to appeal or protest by the bidder.

- It is the responsibility of the bidder to understand the scoring system and factor that system into the organization and content of its tender documents.
- The top and final shortlisted bidders will be evaluated and ranked using a weighted average scoring system for functionality to all those bidders who were successful and recommended for adjudication and award.
- All proposals deemed administratively and technically responsive will be reviewed and evaluated for consideration of an award in response to this RFP as described above.

### 3.3. TECHNICAL EVALUATION

4.3.1. The technical evaluation of bidders will be carried out in Phase 2.

Bidders will be evaluated in terms of the prevailing supply chain policy applicable to Council for Medical Schemes and it should be noted that:

- A minimum of 70 points out of 100 points on technical capability will be the cut-off to qualify for further evaluation of Price & B-BBEE.
- Council for Medical Schemes will analyse and assess technical capability and therefore the bidder should demonstrate the following:

| CRITERIA  | SUB-CRITERIA  | WEIGHTING/POINTS | CROSS-REFERENCE TO RESPONSE SUPPORTING |
|---|---|------------------|--|
| <b>A) Capabilities and proof of experience of the Curator</b> | <p>Record of Infrastructure: premises from which the candidate statutory manager conducts its business, the candidate curator's communication and documents service facilities (i.e. the candidate curator's email address, telephone and facsimile number) and computer system which is being used by the candidate statutory manager <b>(10 Points)</b></p> <p>2.The Bidder must demonstrate previous experience relevant to the scope of work in public sector by submitting the testimony letters <b>(10 Points)</b>:</p> <ul style="list-style-type: none"> <li>• 1-2 Testimony letters <b>(5 Points)</b></li> <li>• 3 and above Testimony letters <b>(10 Points)</b></li> </ul> | <b>20</b>        |  |

|  |  |                  |                   |
|--|--|------------------|-------------------|
| <p><b>B) Capacity and experience of the proposed Curator</b></p> | <p><b>1. The Curator-</b> must hold the required qualification with at least ten (10) years combined working experience at an executive level in governance, compliance, business management, accounting, and curatorship, or business turnaround practice for a medical scheme, a financial sector entity, or a medium company as defined in Regulation 127(2)(b)(ii) to the Companies Act, 2008 (Act No. 71 of 2008). Experience in the medical schemes and healthcare industry would be an advantage.</p> <ul style="list-style-type: none"> <li>• 10 Years Experience (<b>30 Points</b>)</li> <li>• Below 10 Years Experience (<b>0 Points</b>)</li> </ul> <p><b>2. The Curator</b> - must possess a minimum of degree/ NQF level 7 qualification in accounting, audit, finance, legal, or business management profession or related qualification from an accredited institution of higher learning, foreign acquired qualification must be endorsed by the South African Qualification Authority. Proof of qualification must be provided:</p> <ul style="list-style-type: none"> <li>• Honors (NQF 8): (<b>30 Points</b>)</li> <li>• Degree / Diploma (NQF 7) (<b>20 Points</b>)</li> </ul> <p><b>3. Proposed Team</b> - the Curator assistant (proposed team) must have at least 5 years working experience with a minimum qualification in commerce, business management, accounting, legal, or auditing (<b>20 Points</b>)</p> | <p><b>80</b></p> |                   |
| <p><b>Total Technical Scores</b></p>                             |  |                  | <p><b>100</b></p> |

**Phase 3 - Table 1- Price and B-BBEE**

| CRITERIA     | SUB-CRITERIA              | WEIGHTING/ POINTS |
|--------------|---------------------------|-------------------|
| Price        | Detailed budget breakdown | 80                |
| B-BBEE       | B-BBEE Level Contributor  | 20                |
| <b>TOTAL</b> |                           | <b>100</b>        |

**4. INSTRUCTIONS TO BIDDERS****4.1. Terms and Conditions**

The Council for Medical Schemes reserves the right, under exceptional circumstances, to extend the closing date. All proposals and all subsequent information received from bidders will not be returned.

The adjudication process does not represent a commitment on the part of Council for Medical Schemes to proceed further with that proposal or of any other bidder.

**4.2. Changes to this RFQ document**

Council for Medical Schemes reserves the right to make changes on this RFQ Document. All changes will be communicated to those firms that have responded to the RFQ. No reliance shall be placed on other information or comment from any other person.

**4.3. Validity Period**

The validity period of the RFQ/RFP is **ninety (90)** days. Request for extension of validity period will be communicated to those service providers who responded to the RFQ/ RFP.

**4.4. Confidentiality**

Any information relating to the submissions, through the process or otherwise shall be treated in strict confidence.

**4.5. Other matters**

Council for Medical Schemes reserves the right not to enter into any relationship and no correspondence pertaining to submissions will be entered into.

If the Council for Medical Schemes does not accept any proposal, it will declare this RFQ call process closed and may then elect to:

- Proceed on a completely different basis; and
- Not appoint any respondent in the event it deems proposals not appropriate.

The Council for Medical Schemes will not accept any responsibility for costs incurred by bidders in preparing and submitting proposals.

The Council for Medical Schemes reserves the right to engage in a process to validate all claims made in the proposal.

The Council for Medical Schemes reserves the right to cancel the award if it is determined that the supplier/service provider recommended for award, has engaged in corrupt or fraudulent activities in competing for the contract in question. For the purposes of this RFP/RFT, RFQ, "fraudulent practice" means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the accounting officer/authority, and includes collusive practices among bidders/contractors (prior to or after submission of proposals) designed to establish prices at artificial, non-competitive levels and to deprive the accounting officer/authority of the benefits of free and open competition.

The selection of the qualifying bid/quotations will be at Council for Medical Schemes' sole discretion. Council for Medical Schemes does not bind itself to accept any bid/quotations and reserves the right not to appoint the bidder.

## 5. PAYMENT STRUCTURE

5.1. Council for Medical Schemes undertakes to pay in full within thirty (30) days, all valid claims for work done to its satisfaction upon presentation of a substantiated claim/invoice.

5.2. Payments will only be made based on the work completed (milestones/ deliverables) as per the project implementation plan to be agreed at the inception of the project.

## 6. GENERAL

Below are compulsory requirements for this service:

6.1. It is important to note that the successful bidder will work under the supervision of a Council for Medical Schemes representative, abide by Council for Medical Schemes' Code of Conduct, and other organizational guidelines.

6.2. Kindly submit the following document:

- **Original Valid Tax Clearance Certificate or SARS PIN Document.**

- National Treasury Central Supplier Database Report
- Complete the attached SBD 1, 4 and 6.1. Failure to complete and sign the SBD 1, 4 and 6.1. may lead to automatic disqualification from the evaluation process.
- Valid and Original or Certified B-BBEE Status Level Verification Certificates issued by SANAS for Generic Companies with a total turnover of R 50 million and above.
- Enterprise Medium Enterprise (EME's) with a total turnover below R 10 million and Qualifying Supplier Enterprise (QSE's) with a turnover of R 10 million to R 50 million must complete and submit affidavit the attached Sworn Affidavit relevant to their turnover. *Bidders will be penalised on BEE scoring if they do not comply with the requirements of the BEE code of conduct, and their certificate or affidavit will be rendered invalid.*
- The following compliance checklist will be used to conduct/ verify the Sworn Affidavit/s:

**BEE Compliance Checklist (EME and QSE)**

| Applicable Criteria  | Verified/ Not Verified |
|--|------------------------|
| Deponent must select designation (Director, owner, member)               |                        |
| Indicate financial year (Date, Month and Year)                           |                        |
| Choose between financial statements and management accounts              |                        |
| Date of signature for deponent and commissioner of oath must be the same |                        |
| Indicating B-BBEE Status Level Indicator                                 |                        |
| Enterprise Name  |                        |
| Trading Name   |                        |
| Company Registration Number  |                        |
| Enterprise Physical Address  |                        |
| Type of Entity (CC, Pty, Sole Provider etc.)                             |                        |
| Nature of Business   |                        |
| Person who has an interest cannot commission                             |                        |

## BIDDER'S DISCLOSURE –: Annexure A

### 1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

### 2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

| Full Name | Identity Number | Name of State institution |
|-----------|-----------------|---------------------------|
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |

Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....  
 .....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....

<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

3 DECLARATION

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
3.3 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 consortium2 will not be construed as collusive bidding.
3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
3.4 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.
3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
3.6 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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature Date
Position Name of bidder

2 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.

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017  
– SBD 6.1: Annexure B**

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 **80/20** 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:

|  | <b>POINTS</b> |
|--|---------------|
| <b>PRICE</b>   |               |
| <b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>                |               |
| <b>Total points for Price and B-BBEE must not exceed</b> | <b>100</b>    |

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:

| <b>80/20</b>  | <b>or</b> | <b>90/10</b>  |
|---|-----------|---|
| $P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$ | or        | $P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$ |

Where

$P_s$  = Points scored for price of bid under consideration

$P_t$  = Price of bid under consideration

Pmin = 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 | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

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 | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

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

| <b>Designated Group: An EME or QSE which is at least 51% owned by:</b> | <b>EME</b> | <b>QSE</b> |
|--|------------|------------|
|  | √          | √          |
| 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                                 |            |            |
| <b>OR</b>  |            |            |
| 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 Total number of years the company/firm has been in business:.....

8.8 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 certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in 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.

WITNESSES

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....

**SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE - GENERAL**

I, the undersigned,

|                                |  |
|--------------------------------|--|
| <b>Full name &amp; Surname</b> |  |
| <b>Identity number</b>         |  |

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a Member / Director / Owner of the following enterprise and am duly authorised to act on its behalf:

|  |   |
|--|---|
| <b>Enterprise Name:</b>                                |   |
| <b>Trading Name (If Applicable):</b>                   |   |
| <b>Registration Number:</b>                            |   |
| <b>Enterprise Physical Address:</b>                    |   |
| <b>Type of Entity (CC, (Pty) Ltd, Sole Prop etc.):</b> |   |
| <b>Nature of Business:</b>                             |   |
| <b>Definition of “Black People”</b>                    | <p>As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 “Black People” is a generic term which means Africans, Coloureds and Indians –</p> <ul style="list-style-type: none"> <li>(a) who are citizens of the Republic of South Africa by birth or descent; or</li> <li>(b) who became citizens of the Republic of South Africa by naturalisation- <ul style="list-style-type: none"> <li>i. before 27 April 1994; or</li> <li>ii. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date;”</li> </ul> </li> </ul>  |
| <b>Definition of “Black Designated Groups”</b>         | <p>“Black Designated Groups means:</p> <ul style="list-style-type: none"> <li>(a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution;</li> <li>(b) Black people who are youth as defined in the National Youth Commission Act of 1996;</li> <li>(c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act;</li> <li>(d) Black people living in rural and under developed areas;</li> <li>(e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;”</li> </ul> |

3. I hereby declare under Oath that:

- The Enterprise is \_\_\_\_\_% Black Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise is \_\_\_\_\_% Black Female Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise is \_\_\_\_\_% Black Designated Group Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Owned % Breakdown as per the definition stated above:
  - Black Youth % = \_\_\_\_\_%
  - Black Disabled % = \_\_\_\_\_%
  - Black Unemployed % = \_\_\_\_\_%
  - Black People living in Rural areas % = \_\_\_\_\_%
  - Black Military Veterans % = \_\_\_\_\_%

- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of \_\_\_\_\_, the annual Total Revenue was R10,000,000.00 (Ten Million Rands) or less
- Please Confirm on the below table the B-BBEE Level Contributor, **by ticking the applicable box.**

|                           |   |  |
|---------------------------|---|--|
| 100% Black Owned          | <b>Level One</b> (135% B-BBEE procurement recognition level)  |  |
| At least 51% Black Owned  | <b>Level Two</b> (125% B-BBEE procurement recognition level)  |  |
| Less than 51% Black Owned | <b>Level Four</b> (100% B-BBEE procurement recognition level) |  |

- 4. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the Owners of the Enterprise which I represent in this matter.
- 5. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Commissioner of Oaths  
Signature & stamp

**SWORN AFFIDAVIT – B-BBEE QUALIFYING SMALL ENTERPRISE - GENERAL**

I, the undersigned,

|                                |  |
|--------------------------------|--|
| <b>Full name &amp; Surname</b> |  |
| <b>Identity number</b>         |  |

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a Member / Director / Owner of the following enterprise and am duly authorised to act on its behalf:

|  |   |
|--|---|
| <b>Enterprise Name:</b>                                |   |
| <b>Trading Name (If Applicable):</b>                   |   |
| <b>Registration Number:</b>                            |   |
| <b>Enterprise Physical Address:</b>                    |   |
| <b>Type of Entity (CC, (Pty) Ltd, Sole Prop etc.):</b> |   |
| <b>Nature of Business:</b>                             |   |
| <b>Definition of “Black People”</b>                    | <p>As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 “Black People” is a generic term which means Africans, Coloureds and Indians –</p> <ul style="list-style-type: none"> <li>(a) who are citizens of the Republic of South Africa by birth or descent; or</li> <li>(b) who became citizens of the Republic of South Africa by naturalisation- <ul style="list-style-type: none"> <li>i. before 27 April 1994; or</li> <li>ii. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date;”</li> </ul> </li> </ul>  |
| <b>Definition of “Black Designated Groups”</b>         | <p>“Black Designated Groups means:</p> <ul style="list-style-type: none"> <li>(a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution;</li> <li>(b) Black people who are youth as defined in the National Youth Commission Act of 1996;</li> <li>(c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act;</li> <li>(d) Black people living in rural and under developed areas;</li> <li>(e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;”</li> </ul> |

3. I hereby declare under Oath that:

- The Enterprise is \_\_\_\_\_% Black Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise is \_\_\_\_\_% Black Female Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise is \_\_\_\_\_% Black Designated Group Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Owned % Breakdown as per the definition stated above:
  - Black Youth % = \_\_\_\_\_%
  - Black Disabled % = \_\_\_\_\_%
  - Black Unemployed % = \_\_\_\_\_%
  - Black People living in Rural areas % = \_\_\_\_\_%
  - Black Military Veterans % = \_\_\_\_\_%
- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of \_\_\_\_\_, the annual Total Revenue was between R10,000,000.00 (Ten Million Rands) and R50,000,000.00 (Fifty Million Rands),
- Please confirm on the table below the B-BBEE level contributor, **by ticking the applicable box.**

|                          |  |  |
|--------------------------|--|--|
| 100% Black Owned         | <b>Level One</b> (135% B-BBEE procurement recognition level) |  |
| At Least 51% black owned | <b>Level Two</b> (125% B-BBEE procurement recognition level) |  |

4. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
5. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Commissioner of Oaths  
Signature & stamp