



YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE COUNCIL FOR MEDICAL SCHEMES					
BID NUMBER:	RFQ/CMS/SHR/02112035	CLOSING DATE:	20 June 2023	CLOSING TIME:	17:00 PM
DESCRIPTION	Appointment of a service provider for provision of editing, proofreading and design of 2022/2023 Annual and Industry Reports for CMS				
BID/QUOTATION RESPONSE DOCUMENTS MUST BE DELIVERED TO THE FOLLOWING EMAIL ADDRESS:					
Block A, Eco Glades 2 Office Park, 420 Witch-Hazel Avenue, Eco Park, Centurion, 0157					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Ludwe Madayi		CONTACT PERSON	Stephen Monamodi	
TELEPHONE NUMBER	012 431 0484		TELEPHONE NUMBER	012 431 0409	
FACSIMILE NUMBER			FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	l.madayi@medicalschemes.co.za		E-MAIL ADDRESS	communications@medicalschemes.co.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] ☐ Yes ☐ No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES, ANSWER PART B:3]
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QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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, 2022, 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 THE 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

REQUEST FOR QUOTATIONS: FULL EDITING AND DESIGN OF CMS 2022/2023 ANNUAL REPORT

2.1. INTRODUCTION

The Council for Medical Schemes (CMS) seeks to appoint an experienced service provider, to design and edit its Annual Report for 2022/2023 and 2022 Industry Report.

3. BACKGROUND

3.1. The Medical Schemes Act of 131 (Chapter 3, No 14) prescribes that the Council shall submit its annual report to the Minister before the end of each financial year. As per National Treasury Annual Financial Statement Calendar, the CMS as a state-owned entity of the National Department of Health is therefore mandated to produce an Annual Report and Industry Report to be tabled and presented before the Portfolio of Committee on Health.

4. SCOPE OF WORK AND DELIVERABLES

4.1. CMS through the Stakeholder Relations Unit (SHR) shall liaise with service provider throughout the editing and design (pre and post printing) process of the Annual Report 2022/2022 and Industry Report 2022. The service provider shall be available to the unit as and when requested. In order to ensure that the service provider submits quality service, a Service Level Agreement will be signed between CMS and the appointed service provider.

4.2. The following is the summary of the production process of the Annual Report 2022/2023 and Industry Report 2022:

4.2.1. The service provider shall submit a quote with reference to the outlined specifications. Service providers will supply samples and provide a synopsis of their experience with Annual Reports for similar organisations or other Regulators.

4.2.2. The quotation and presentation should also include;

- the method and charge cost of editing, and
- proposed design theme and timelines for the Annual Report (at least three design themes). Please refer to previous CMS Annual Reports for guidance.

4.2.3. On appointment of the service provider, final design concepts will be required by CMS. This will be done through discussion and agreement between the service provider and CMS.

4.2.4. The final editorial content should show that the organisation has conducted due diligence and highest standards of professional edits.

4.2.5. The design, layout and pictorial illustrations must be aligned with the Corporate Identity Manual of the CMS.

4.2.6. Service provider to submit the final edited and designed annual report on the agreed date.

5. SPECIFICATIONS

5.1. A. Theme and content

5.1.1. The service provider shall propose a theme, consistent with CMS' vision and mission for approval by the CMS.

5.1.2. The service provider will generate the following two (2) publications following the same theme and concept:

- Annual Report 2022/23 [PRINTED & DIGITAL]
- Part A: General information
- Part B: Performance information
- Part C: Governance
- Part D: Human Resources management
- Part E: Financial Information
- Part F: Overview of activities during the reporting period
- Approximate number of pages: 150

5.2. Industry Report 2022 [DIGITAL]

5.2.1. Industry Report: A synopsis of demographic information, utilisation of healthcare services and trends in the medical schemes industry, consisting of tables, graphs and figures (refer to the previous Industry Report)

5.2.2. Approximate number of pages: **180**

5.2.3. Annexures: details on the medical schemes industry in 2022 presented through a clickable pdf, consistent with the theme. Access past Annexures [here](#).

5.3. The service provider is responsible for delivering the pre and post edited designed Annual Report and Industry Report. Approval will be facilitated through CMS' SHR (on agreed timeframes), at which point it will be returned again to the service provider; inclusive of Council and Executive Management comments and inputs. .

5.4. B. Design and Typesetting

Design and Typesetting will be done on edited and approved text, with the final design to be forwarded to SHR for final approval. The format of the publication, illustrative material, free stock photographs, is to be supplied and arranged by the service provider.

5.5. C. Editing and Proofreading

The service provider shall provide full service of editing and proofreading of the Annual Report 2022/23 and Industry Report 2022 pre and post design.

5.6. D. Timeframe

Service Provider will be expected to adhere strictly to timeframes as stipulated in the full production schedule that will be made available to the successful provider.

6. CONTRACTUAL PERIOD

6.1. The service provider is expected to be available from date of appointment until end of September 2023.

7. EVALUATION CRITERIA

14.1. Evaluation of bids will be conducted in four (4) Phases as follows:

14.1.1. Table 1 – Evaluation Process and Criteria

Stage	Details
Phase 1	Mandatory evaluation criteria: The purpose of this criteria is to evaluate the bidders on their eligibility and previous experience to provide the service. Bidders who fail this Phase will not proceed to Phase 2 .
Phase 2	Technical / Functional evaluation criteria: The purpose of this criteria is to evaluate the bidders on their technical competencies. Bidders who fail this Phase will not proceed to Phase 3 .
Phase 3	Price and Specific Goals evaluation criteria: The purpose of this criteria is to evaluate the bidders based on the bid price and Specific Goals.

- Bidders must meet all the following criteria to be considered for further evaluation. Failure to meet all the following criteria will lead to the automatic disqualification:
- Bidders are expected to indicate Comply or Does not comply in the following mandatory technical criteria.

Table 2 - Mandatory Technical Criteria: Phase 1

Mandatory Technical Criteria	Comply	Does not Comply	X-Cross Reference/ Comments. (Bidder to complete this column)
Bidders must submit three (3) reference letter in relation to editing, proofreading, and design of Annual Report in the public sector. The reference letters must be in the form of written proof (s) on the letterhead of the bidder's client (not older than 5 years).			

Failure to submit and meet all the above stipulated requirements will lead to automatic disqualification from the technical evaluation process (Phase 2).

7.1.1. Technical Evaluation: Phase 2

7.1.1.1. 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 & Specific Goals.

Council for Medical Schemes will analyse and assess technical capability and therefore the bidder should demonstrate the following;

Criteria	Sub-Criteria	Points
A) Capabilities and proof of experience of the service provider	1. The bidder must demonstrate experience and knowledge in editing, layout and proofreading of the Annual Report and Industry Report in the public sector (20 Points)	20
B) Approach and Methodology	1. The bidder must demonstrate a detailed approach, methodology and process to be adopted in the project. The work plan must be aligned to the deliverables/ outputs (30 Points)	30
C) Capacity and experience of the proposed Consultants/ Team	1. The bidder must demonstrate experience and qualifications of the proposed team (Attach CV's and Qualifications): 1.1. Academic qualifications: The bidder must submit academic qualifications of the proposed team in Digital Marketing/Graphic Design, Media and Journalism Degree, Communications, and degree (25 points) • Masters/Honours/ Post Graduate Degree (NQF 8) and above: (25 Points) • Degree/ Advanced Diploma (NQF 7): (20 Points) • National Diploma (NQF 6): (15 Points) • Certificate/ Diploma (NQF 5): (0 Points) 1.2. Work experience: The bidder must demonstrate proven experience and knowledge in editing, layout and proofreading of Annual Report in the public sector of the proposed team (25 Points) • 12 and above years experience (25 Points) • 6 years experience (15 Points) • 3 and below years experience (10 Points)	50
Total Technical Scores		

7.1.2. Price and Specific Goal

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. Quotations will be evaluated in terms 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 Specific Goals** as indicated in the PPPFA Regulations.

Table 3- Price and Specific Goals: Phase 4

CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS
Price	Detailed budget breakdown	80
Specific Goals	(a) Historically Disadvantaged Individuals 7 Points 80% - 100% Black Owned 7 Points 50% - 79.99 Black Owned 5 Points 20% - 49.99% Black Owned 3 Points 1% - 19.99 Black Owned 1 Point - Below 1% Black Owned 0 Points (b) Size of the company: 5 Points - Exempted Medium Enterprise 5 Points - Qualifying Exempted Enterprise 3 Points - Generic Enterprise 1 Point (c) Black Woman Owned Enterprise: 5 Points 75% - 100% Black Women Owned 5 Points 51% - 74,99% Black Women Owned 3 Points - Below 51% Black Women Owned 1 Point (d) Ownership by People with Disabilities 3 Points 75% - 100% Ownership by People with Disabilities 3 Points 51% - 74,99% Ownership by People with Disabilities 2 Points - Below 51% Ownership by People with Disabilities 1 Point	20
TOTAL		100

7.1.3. General Conditions to specific goals

7.1.3.1. Only a bidder who has completed and signed the declaration (SBD 6.1.) part of the RFQ documentation will be considered for preference points.

7.1.3.2. CMS may, before a RFQ is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.

7.1.4. Submission of mandatory documents

7.1.4.1. Bidders must submit the following documents for verification of specific goals points:

- Attach certified copy/ copies of South African ID of Directors/ Owners/ Shareholders to claim points for **Historically Disadvantaged Individuals (HDI)**
- B-BBEE Certificate and Sworn Affidavit to claim points for **Size of the Company**
- Attach medical certificate/ letter from the accredited Health Professional to claim points for **Ownership for People Disability**
- Attach copy of B-BBEE Certificate/ sworn affidavit, certified ID copy/ copies, CIPC document to claim points for **Black Women Owned Enterprise**
- Fully completed and signed **SBD 6.1**.

7.1.4.2. Failure on the part of a bidder to submit proof and above-mentioned documentation, complete and sign as required in SBD 6.1. in terms of this bid to claim points for specific goals with the bid, will interpret to mean that the preference points for specific goals are not claimed.

8. INSTRUCTIONS TO BIDDERS

8.1. 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.

8.2. 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.

8.3. 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.

8.4. Confidentiality

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

8.5. 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.

9. PAYMENT STRUCTURE

9.1. 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.

9.2. 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.

9.3. No advance payment would be made, as it would be the responsibility of the service provider to settle all bills with relevant sub-contractors, e.g. printers. NB: Invoice will only be submitted for payment once CMS has approved the final product.

10. GENERAL

Below are compulsory requirements for this service:

10.1. 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.

10.2. Kindly submit the following document:

- **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.**

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 interest¹ 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

2.2 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:

.....

¹ 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 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 **To be completed by the organ of state**

- a) The applicable preference point system for this tender is the **80/20** preference point system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
(b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

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

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

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

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

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20	or	90/10
$P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)$	or	$P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)$

Where

- Ps = Points scored for price of tender under consideration
 Pt = Price of tender under consideration
 Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
a) Historically Disadvantaged Individuals	N/A	7 Points: 80% - 100% Black Owned – 7 Points 50% - 79.99 Black Owned - 5 Points 20% - 49.99% Black Owned 3 Points	N/A	

		• 1% - 19.99 Black Owned - 1 Point • Below 1% Black Owned - 0 Points		
Size of the Company/ Enterprise	N/A	5 Points: • Exempted Medium Enterprise- 5 Points • Qualifying Exempted Enterprise – 3 Points • Generic Enterprise - 1 Point	N/A	
Black Women Owned Enterprise	N/A	5 Points: • 75% - 100% Black Women Owned - 5 Points • 51% - 74,99% Black Women Owned – 3 Points • Below 51% Black Women Owned - 1 Point	N/A	
Ownership by People with Disabilities	N/A	3 Points: • 75% - 100% Ownership by People with Disabilities – 3 Points • 51% - 74,99% Ownership by People with Disabilities - 2 Points • Below 51% Ownership by People with Disabilities - 1 Point	N/A	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited

- ☐ Non-Profit Company
☐ State Owned Company
[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

..... SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:	
DATE:	
ADDRESS:	
..... 	