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Newtown  
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Marshalltown 2107  
Tel : (011) 688-1400  
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INITIATING DEPARTMENT: FINANCE  
INITIATOR: Elthechia Basson  
QUOTATION REFERENCE: COLLECTIVE NO.

RFQJW0077SM2025 - Implementation of GRAP 104  
QUOTATION REQUESTED FROM

PAGE NO.	
CLOSING DATE AND TIME	
11-Apr-25	16:00:00 PM
Date of Issue	
04 April 2025	
VALIDITY	
60 DAYS	7 DAYS

QUOTATIONS WILL BE EVALUATED ON THE 80/20 POINT SCORING SYSTEM. 80 POINTS WILL BE ALLOCATED TO PRICE AND THE REMAINING 20 POINTS WILL BE ALLOCATED FOR SPECIFIC GOALS AS PER PPPFA 2022

ALL SUPPLIERS RESPONDING TO QUOTATIONS SHOULD BE REGISTERED ON CENTRAL SUPPLIER DATABASE (CSD)

JW Contact Person : Simphiwe Mdlalose - Email Address : simphiwe.mdlalose@jwater.co.za  
Telephone Number : 011 688 1825

ITEM NO.	DESCRIPTION	DESCRIPTION OF ITEM OFFERED	UOM	QTY REQUIRED	PRICE QUOTED EXCL. OF V.A.T.	DISCOUNT	PRICE QUOTED INCL. OF V.A.T.
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Implementation of GRAP 104  
SPECIFICATION:

1 NB: SEE ATTACHED DETAILED SPECIFICATION/PROPOSAL

Contact Person: Elthechia Basson  
Contact Number: 011 688 1989

QUOTATION TO BE VALID FOR 60 DAYS AND REFLECTING ON THE QUOTE

SPECIFIC GOALS	POINTS
EME's OR QSE's- Businesses owned by people who are black-51% or more	20

QUOTATION REF AS ABOVE: RFQJW .....& COMPANY NAME  
NB: All suppliers responding to RFQs should use their own company letter head not JW RFQ Template AND MAKE SURE THEIR EMAIL ADDRESS IS VISIBLE ON THEIR QUOTATION.  
NB: A copy of valid lease agreement or municipal account(not older than 3 months)should be submitted with a quote  
NB: MBD forms attached should be completed and submitted with the quote  
NB: All Quotes should be on PDF (MS WORD, MS EXCEL, PICTURES ARE NOT ALLOWED)  
NB: Copy of valid BBBEE CERTIFICATE or SWORN AFFIDAVIT to be submitted with the quote  
Quotation should be valid for 60 days

Send All quotations to: [jw.directquotations@jwater.co.za](mailto:jw.directquotations@jwater.co.za)

**SUBMISSIONS MUST BE MADE ON THE E-TENDER PORTAL(<https://www.etenders.gov.za/>) NO EMAIL SUBMISSIONS**

**SEE PAGE TWO ON HOW TO SUBMIT YOUR RESPONSE ON E-TENDER**

OFFICIAL STAMP	AUTHORISED BY: .....	1. QUOTATIONS RECEIVED AFTER CLOSE OF BUSINESS ON THE CLOSING DATE WILL NOT BE ACCEPTED.
	SIGNATURE:.....	2. QUOTATIONS WITHOUT BRAND NAMES WHERE REQUIRED WILL NOT BE ACCEPTED
	DATE:.....	3. PRICES QUOTED MUST BE AS PER THE UNIT INDICATED AND BE EXCLUDED OF VAT
		4. QUOTATIONS WITHOUT THE SUPPLIER'S AUTHORISED SIGNATURE WILL NOT BE ACCEPTED. (ONLY IF QUOTED ON THE JW RFQ TEMPLATE)
		5. ACCEPTANCE OF A QUOTATION WILL BE SUBJECT TO JOHANNESBURG WATER'S SUPPLY CHAIN POLICY
		6. TOTAL QUOTATION VALUE TO INCLUDE V.A.T WHERE APPLICABLE

# REQUEST FOR QUOTATION FOR GRAP 104 IMPLEMENTATION

## 1.1 BACKGROUND

GRAP 104, the South African standard on financial instruments, establishes principles for recognizing, measuring, presenting, and disclosing financial instruments, aligning with IFRS 9 but with some tailored guidance for the public sector.

Currently, Johannesburg Water applies an aging model for impairment calculations as follows:

- Platinum Accounts- These are typically commercial/business accounts that are considered lower risk in terms of defaults: Debtors older than 180 days are fully impaired, while those older than 90 days are also considered impaired.
- Non-Platinum Accounts- Are all other accounts generally include domestic, but there may also be other types of accounts that fall under this category due to their reliability and stability - Similar to Platinum accounts, debtors older than 180 and 90 days are fully impaired. Additionally, for debtors past due up to 89 days, a non-payment rate is applied to assess potential impairment.

Currently, the approach primarily relies on an aging model, which does not incorporate the necessary discounting of future cash flows nor differentiate between individually significant and insignificant receivables.

## 1.2 Scope of work/Terms of reference

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**Johannesburg Water would like to appoint a service provider to conduct a review, validate and develop the impairment model. The overall objectives of the project are as follows:**

- Review of the Impairment model –  
The service provider is expected to conduct a thorough review of the Impairment model in its entirety through verification of formulas to confirm accuracy, validity, and reliability of the model outputs. Data collection and stakeholder consultation within the organization will be done to provide an initial overall assessment of the models' validity and applicability given market conditions and internal operations.
- Validation of the Impairment model –  
The service provider to conduct a thorough examination of the model and confirm if the model is still fit for use through detailed desk review of the policy and risk-based approach.
- Benchmarking and model validation - to align with best practice, Johannesburg Water requires the service provider to conduct a desktop benchmark analysis where applicable to give insight into approaches and methodologies being used by similar institutions. Recommendations are required from the service provider to give further guidance in adherence with market standards.

**Johannesburg Water requires that, as a minimum, the model validation to be conducted by the appointed service provider will include the following:**

- Data and assumptions
  - Review of the data and assumptions, the adequacy of the data controls and data governance procedures in place.
  - Identify any implications or limitations of the data used to develop the model,

- Identify all data inputs required to run the GRAP 104 models and check if all input requirements and formats are properly documented.

Assess the possibility on SAP automation process for classification of the accounting treatment.

- Assess the criteria used for classification and applicability in relation to GRAP Standards, and
- Assess the qualitative factors used on the model

➤ **Model application**

- Assess the integrity and appropriateness of the model, including the accuracy of underlying calculations and formulae.
- Assess if the execution of the model on the processing platform is aligned to the mathematical model.
- Assess the adequacy of the model results for the business decisions they are required to inform.
- Benchmark model outputs against relevant industry outcomes, including reasonableness of the impairment values.
- Assess the appropriateness of model overrides and governance thereof; and
- Assess alignment of the policy to the underlying calculation.

➤ **Technical assessment of the methodology**

- Assess the statistical, financial & economic soundness of the theories underpinning the model, including adherence to best practice.
- Assess the macro-economic model appropriateness, applicability, reasonability and completeness; and

➤ **Development of the impairment model and methodology**

- To develop a methodology and new financial module in accordance with GRAP 104.
- Conduct a gap analysis on our impairment methodologies to compare Johannesburg Water's current impairment methodologies with GRAP 104 requirements, identifying shortcomings in existing systems and models.
- Perform an impact analysis on the new methodology which will include but not limited to the following:
  - Recalculating impairments for the financial year ending 30 June 2024 and proposed journal entries where applicable.
  - Calculating year-to-date impairments for the 2024/2025 financial year, based on GRAP principles.
  - Review and update the Provision of doubtful debt Policy for Johannesburg Water to align with GRAP 104 standards where applicable.
  -
- Support post-implementation of GRAP 104, including the deployment of the revised

impairment models/tools, for a maximum period of 1 year

### **1.3 DELIVERABLES**

**The following deliverables are expected:**

1. A detailed report outlining the accounting treatment and measurement of Johannesburg Water instruments.
2. A report detailing the outcome of the impact analysis, comparing Johannesburg Water's existing impairment levels with those under GRAP 104.
3. An updated GRAP compliant Provision of doubtful debt policy.
4. Development of the Standard Operating Procedure.
5. Debt Impairment Calculation Model that includes.
  - Validation checks and error alerts for incorrect or missing data, ensuring the accuracy of the impairment calculations.

### **1.4 PROPOSAL SUBMISSION REQUIREMENTS**

Bidders are requested to provide a detailed proposal addressing all the requirements outlined above.

The proposal should include timelines, milestones, and a detailed cost estimate for each phase of the project.

Evaluation

CRITERIA NO #	CRITERIA	EVIDENCE	SUB-CRITERIA/CLAUSE	MAX SCORE	SCORE											
1.	<p><b>Company Past experience in implementation of GRAP projects locally and in the public sector</b></p>	<p>Supporting documents required include:</p> <ul style="list-style-type: none"> <li>• Contactable reference template or</li> <li>• Reference Letters on client letterhead for projects completed.</li> </ul> <p><b>NB:</b> The information provided will be verified and if found to be false or misrepresented, punitive measures will be instituted against the respective party including. blacklisting in participating in any future government tenders</p> <p>Contactable reference evaluation.</p> <p>Reference letter(s) must indicate the number of above listed projects completed by the bidder.</p>	<p><b>Years of Experience in respect to projects Successfully completed.</b></p> <table border="1" data-bbox="1367 544 1823 809"> <tr> <td>1 Similar Project Completed</td> </tr> <tr> <td>2 Similar Project Completed</td> </tr> <tr> <td>3 Similar Project Completed</td> </tr> <tr> <td>4 Similar Project Completed</td> </tr> <tr> <td>5 or more Similar Project Completed s</td> </tr> </table>	1 Similar Project Completed	2 Similar Project Completed	3 Similar Project Completed	4 Similar Project Completed	5 or more Similar Project Completed s	40	<table border="1" data-bbox="2066 300 2202 809"> <tr> <td></td> </tr> <tr> <td>8</td> </tr> <tr> <td>16</td> </tr> <tr> <td>24</td> </tr> <tr> <td>32</td> </tr> <tr> <td>40</td> </tr> </table>		8	16	24	32	40
1 Similar Project Completed																
2 Similar Project Completed																
3 Similar Project Completed																
4 Similar Project Completed																
5 or more Similar Project Completed s																
8																
16																
24																
32																
40																

22.2.	<p><b>Knowledge, expertise, experience and composition of key project team:</b> The key personnel of the proposed team must comprise of the following members</p> <ul style="list-style-type: none"> <li>- Member with a CA(SA) membership by SAICA,</li> <li>- GRAP specialist with expert knowledge on Financial or credit modelling.</li> </ul> <p>The bidder must submit as part of the proposal the following</p> <ul style="list-style-type: none"> <li>- The structure and composition of the proposed teams</li> <li>- CV's of key personnel</li> </ul>	<p>Tenderer to provide CV of their <b>Key personnel.</b></p> <p><b>Note:</b> Certified Copies of qualifications and valid registrations are to accompany the CVs.</p>	<b>Project manager years of experience</b>	30	
			No relevant experience or less than 3 years' experience		7.5
			3 years' experience but less than 5 years' experience		15
			5 years' experience but less than 7 years' experience		22.5
			7 years or more experience		30

8.	<b>Project Methodology</b>	<p>The bidder must provide a detailed project/ execution plan including</p> <ul style="list-style-type: none"> <li>- Process flow</li> <li>- Inputs/ data requirements</li> <li>- Activities/ task roles and responsibilities</li> <li>- Methodology</li> <li>- Deliverables and timeframes</li> </ul>	No project plan and methodology.	30	7.5
			Project plan provided 3 items (process flow, inputs data, task roles and responsibilities, methodology, timeframes and deliverables)		15
			Project plan provided 4 items (process flow, inputs data, task roles and responsibilities, methodology, timeframes and deliverables)		22.5
			Project plan provided 5 items (process flow, inputs data, task roles and responsibilities, methodology, timeframes and deliverables)		30
<b>MINIMUM QUALIFYING SCORE</b>				<b>60</b>	
<b>TOTAL</b>				<b>100</b>	









Johannesburg Water

Registration No: 2000/029271/07

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# POPIA PRIVACY STATEMENT

Johannesburg Water SOC Limited

In terms of the Protection of Personal Information Act, 213 (Act 4 of 2013), also called the POPI Act or POPIA, Johannesburg Water SOC Limited, undertakes all reasonable measures to protect personal information and to keep it private and confidential.

## 1. Privacy Notice applies to:

Suppliers, vendors, contractors, service providers, etc whether appointed or prospective.

## 2. Definitions of personal information

According to the Act “personal information” means information relating to an identifiable living, natural person, and where it is applicable, an identifiable, existing juristic person. All addresses including residential, postal and email addresses.

## 3. About the Public Entity

Johannesburg Water (SOC) Limited, registration number 2000/029271/30

### 3.1 The information we collect

We collect information directly from you where you provide us with your personal details. Where possible, we will inform you what information you are required to provide to us and what information is optional.

### 3.2 How Johannesburg Water use your information

We will use your personal information only for the purposes for which it was collected and agreed with you. For example: to gather contact information, to confirm and verify your identity, for the evaluation and adjudication of bids and quotations for tenders, request for quotations, and other personal information for the procurement of goods and services by the Entity.

### 3.3 Disclosure of information

We may disclose your personal information to our Shareholder, the City of Johannesburg, and other Government agencies such as National Treasury, and the Auditor-General of South Africa. We have agreements in place to ensure that they comply with the privacy requirements as required by the Protection of Personal Information Act.

We may also disclose your information:

- Where we have a duty or a right to disclose in terms of law;
- Where we believe it is necessary to protect our rights.

### 3.4 Information Security

We are legally obliged to provide adequate protection for the personal information we hold and to stop unauthorised access and use of personal information. We will, on an ongoing basis, continue to review our security

# POPIA PRIVACY STATEMENT

Johannesburg Water SOC Limited

controls and related processes to ensure that your personal information remains secure.

When we contract with third parties, we impose appropriate security, privacy and confidentiality obligations on them to ensure that personal information that we remain responsible for, is kept secure. We will ensure that anyone whom we pass your personal information agrees to treat your information with the same level of protection as we are obliged to.

## **3.5 Your rights: Access to Information**

You have the right to request a copy of the personal information we hold about you. To do this, simply contact us at [informationofficer@jwater.co.za](mailto:informationofficer@jwater.co.za), and specify what information you require.

## **3.6 Correction of your personal information**

You have the right to ask us to update, correct or delete your personal information. We will require a copy of your identification document to confirm your identity before making changes to personal information we may hold about you. We would appreciate it if you would keep your personal information accurate and up to date.

## **3.7 How to contact us**

If you have any queries about this document; you need further information about our privacy practices; wish to withdraw consent; exercise preferences or access or correct your personal information, please contact us at the numbers listed on our website or send an email to [informationofficer@jwater.co.za](mailto:informationofficer@jwater.co.za).



a world class African city



City of Johannesburg

Johannesburg Water SOC Ltd

Turbine Hall  
65 Ntemi Piliso Street  
Newtown  
Johannesburg

Johannesburg Water  
PO Box 61542  
Marshalltown  
2107

Tel +27(0) 11 688 1400  
Fax +27(0) 11 688 1528

[www.johannesburgwater.co.za](http://www.johannesburgwater.co.za)

**PLEASE SUPPLY THE FOLLOWING DOCUMENTS TO ENABLE US TO EVALUATE YOUR SUBMISSION :**

<b>Returnable Documents</b>	<b>Description</b>	<b>Yes/No</b>	
1	Original Valid Tax Clearance Certificate /valid SARS PIN		<b>COMPULSORY</b>
2	A, certified /original/valid, BBBEE certificate /sworn affidavit (Please note that the Sworn Affidavit must be compliant as per B-BBEE Practice Guide 01 of 2018 , NON COMPLIANT AFFIDAVIT WILL BE SCORED ZERO)		<b>COMPULSORY</b>
3	Municipal rates and taxes (Must not be older than 90 days in arrears in line with regulation 38.		<b>COMPULSORY</b>
4	Signed Declaration of Interest form (MBD 4)		<b>COMPULSORY</b>
5	Declaration of Bidders past supply chain management practices (MBD 8)		<b>COMPULSORY</b>
6	Certificate of Independent Proposal Determination (MBD 9)		<b>COMPULSORY</b>
7	Proof of CSD registration /MAAA Supplier Number		<b>COMPULSORY</b>
8	Preference points claim form in terms of the preferential procurement regulations 2022 (MBD 6.1)		<b>COMPULSORY</b>
9	Company registration documents with ID copies of directors / shareholders.		<b>COMPULSORY</b>

**Directors:**

Ms Gugulethu Phakathi (Chairperson), Mr Ntshavheni Mukwevho (Managing Director and Executive Director),  
Mr Johan Koekemoer (Financial Director and Executive Director), Mr Phetole Modika, Mr Siphamandla Mnyani, Mr Siyabonga Mthembu,  
Mrs Zandile Meeleso, Mr Pholoso Matjele, Mr Kgaile Mogoye, Mr Sandiso Mgengwana, Mr Molate Mashifane, Ms Pamela Mabece,  
Mr Lunga Bernard

Ms Kethabile Mabe (Company Secretary),

Johannesburg Water SOC Ltd

Registration Number: 2000/029271/30

## MBD 4

## DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
- 3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number: .....

3.3 Position occupied in the Company (director, trustee, hareholder<sup>2</sup>):.....

3.4 Company Registration Number: .....

3.5 Tax Reference Number:.....

3.6 VAT Registration Number: .....

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars. ....

.....

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –

- (a) a member of –
  - (i) any municipal council;
  - (ii) any provincial legislature; or
  - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

<sup>2</sup> Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months? ..... **YES / NO**

3.9.1 If yes, furnish particulars.....

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? ..... **YES / NO**

3.10.1 If yes, furnish particulars.

.....

.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.11.1 If yes, furnish particulars

.....

.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.

.....

.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.

.....

.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:

.....

.....

4. Full details of directors / trustees / members / shareholders.

<b>Full Name</b>	<b>Identity Number</b>	<b>State Employee Number</b>

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

.....  
**Name of Bidder**

**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.

**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

**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
<b>PRICE</b>	80
<b>SPECIFIC GOALS</b>	20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

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 PREFERENCE POINT SYSTEMS

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

**80/20**

$$Ps = 80 \left( 1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

##### 3.1.1. POINTS AWARDED FOR PRICE

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

**80/20**

$$Ps = 80 \left( 1 + \frac{Pt - Pmax}{Pmax} \right) \circ$$

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:

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

**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 (80/20 system)	Number of points claimed (80/20 system)	Proof of documents per specific goals
EME's OR QSE's- Businesses owned by people who are black-51% or more	<b>20</b>		Valid BBBEE Certificate issued by SANAS accredited verification agency or DTI/CIPC BBBEE Certificate for Exempted Micro Enterprises or Affidavit sworn under oath

**DECLARATION WITH REGARD TO COMPANY/FIRM**

4.2. Name of company/firm.....

4.3. Company registration number: .....

4.4. 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]

4.5. 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.

.....	
<b>SIGNATURE(S) OF TENDERER(S)</b>	
<b>SURNAME AND NAME:</b>	.....
<b>DATE:</b>	.....
<b>ADDRESS:</b>	.....
	.....
	.....
	.....

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.

.....	
<b>SIGNATURE(S) OF TENDERER(S)</b>	
<b>SURNAME AND NAME:</b>	.....
<b>DATE:</b>	.....
<b>ADDRESS:</b>	.....
	.....
	.....
	.....

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

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

Item	Question	Yes	No
4.1	<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	<p>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)?</p> <p><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></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>No</b>
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME) .....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS  
DECLARATION FORM TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT,  
ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION  
PROVE TO BE FALSE.**

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) 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 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
  
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
  
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

<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 Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

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.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....	.....
Signature	Date
.....	.....
Position	Name of Bidder

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