

# PHOKWANE LOCAL MUNICIPALITY



**TENDER NO: PLM/TTEL/0520 - 2024**

**DESCRIPTION: SUPPLY AND DELIVERY AND MAINTENANCE OF VOICE OVER INTERNET PROTOCOL TELEPHONE RENTAL FOR A PERIOD OF 36 MONTHS**

**Closing Date: 18 JUNE 2024 AT 12:00pm**

<b>Company</b>	
<b>Contact Person</b>	
<b>Telephone Number</b>	
<b>Facsimile</b>	
<b>Tender amount (VAT inclusive)</b>	
<b>Delivery Date</b>	

<b>CONTENTS</b>		<b>PAGE</b>
<b>SECTION 1 – TENDERING PROCEDURES</b>		
1.1	TENDER NOTICE AND INVITATION TO TENDER	3
1.2	TENDER CONDITIONS AND INFORMATION	4
1.3	GENERAL CONDITIONS OF CONTRACT	9
1.4	GUIDANCE DOCUMENT FOR THE CALCULATION OF LOCAL CONTENT	18
<b>SECTION 2 – RETURNABLE MBD DOCUMENTS AND SCHEDULES</b>		
2.1	RETURNABLE MBD DOCUMENTS	
2.1.1	MBD1: BID FOR REQUIREMENTS OF PHOKWANE LOCAL MUNICIPALITY	29
2.1.2	MBD2: TAX CLEARANCE CERTIFICATE REQUIREMENTS	31
2.1.3	MBD3.1: PRICING SCHEDULE – FIRM PRICES	32
2.1.4	MBD4: DECLARATION OF INTEREST	33
2.1.5	MBD6.1: PREFERENCE POINT CLAIM FORM	36
2.1.6	MBD6.2: DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS	40
2.1.7	MBD7.1 CONTRACT FORM - PURCHASE OF GOODS/WORKS	43
2.1.8	MBD8: DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES	45
2.1.9	MBD9: CERTIFICATE OF INDEPENDENT BID DETERMINATION	47
2.2	RETURNABLE SCHEDULES	
2.2.1	PROOF OF CSD REGISTRATION	50
2.2.2	TAX CLEARANCE CERTIFICATE OR TAX COMPLIANCE STATUS PIN	51
2.2.3	PROOF OF CURRENT MUNICIPAL RATES, TAXES AND CHARGES	52
2.2.4	CERTIFIED COPIES OF IDENTITY DOCUMENTS OF MEMBERS/ SHAREHOLDERS / DIRECTORS OF THE COMPANY (ORIGINAL STAMP NOT OLDER THAN 3 MONTHS)	53
2.2.5	VALID CIPC DOCUMENTS / COPIES OF COMPANY REGISTRATION DOCUMENTS	54
2.2.6	BBBEE CERTIFICATE – ONLY THE FOLLOWING ORIGINAL BBBEE CERTIFICATES AND / OR CERTIFIED COPY OF BBBEE CERTIFICATES WILL BE ACCEPTED AND MUST BE ATTACHED. IRBA, SANAS OR SWORN AFFIDAVIT. (NO POINTS WILL BE CLAIMED WITHOUT BBBEE CERTIFICATE).	55
2.2.7	PROOF OF VEHICLE AND CHERRY PICKER SPECIFICATION (CATALOGUE)	56
<b>SECTION 3 – DESCRIPTION OF GOODS</b>		
3.1	SPECIFICATION	57



**PHOKWANE LOCAL MUNICIPALITY  
INVITATION FOR PROSPECTIVE BIDDERS**

**Prospective service providers are invited to tender as follows:**

<b>Bid No.</b>	<b>Bid Description</b>	<b>CIDB Grading</b>	<b>Participation fee</b>	<b>Closing date</b>	<b>Point System</b>
<b>PLM/TTEL/0520-2024</b>	Supply, delivery and maintenance of voice over internet protocol telephony rental for a period of 36 months	N/A	R0.00	18 JUNE 2024	80/20

This tender will be evaluated in terms of the 80/20 preference point system as prescribed in the Preferential Procurement Regulations, 2022 pertaining to the PPPF Act (No 5 of 2000) and the Supply Chain Management Policy and Preferential Procurement Policy 2023 of Phokwane Local Municipality. Phokwane Local Municipality is not bound to accept the lowest bid or award a contract to the bidder scoring the highest points. The Municipality reserves the right to partial acceptance of one or more bids, to withdraw any invitation to tender and/or to re-advertise or to reject any tender.

A maximum of 20 points (80/20 preference points system) will be allocated for specific goals. These goals are: Contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability, 50% of the 20 points will be allocated to promote this goal. The other 50% of the 20 points will be allocated to promote the goal of Local labour and/ or promotion of enterprises located in the municipal area.

The tender documents should be clearly marked **TENDER NO: PLM/TTEL/0520 - 2024** – and must be deposited in the Tender Box of the Phokwane Local Municipality at the Reception area, Ground floor, Hartswater Municipal building, 24 Hertzog Street, Hartswater.

Tender documents are downloadable for free from 20 May 2024 at Phokwane Local Municipality website ([www.phokwane.gov.za](http://www.phokwane.gov.za)) and E-tender [www.etenders.gov.za](http://www.etenders.gov.za). Enquiries on technicalities may be directed to Mr C Tswaile at tel. (053) 474 9700 and for supply chain matters to Mrs M Viljoen at tel. (053) 474 9700 during office hours.

**Please note that faxed, e-mailed or late submission will not be accepted.**

If no response is received in Ninety (90) days after the closing date, consider your BID unsuccessful.

**Z. Nikani**  
**Municipal Manager**

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.

## Tender No: PLM/TTEL/0520 - 2024

### Description: Supply, delivery and maintenance of voice over internet protocol telephony rental for a period of 36

#### Scope of work

##### 1. Scope

This Bid is for **Supply, delivery and maintenance of voice over internet protocol telephony rental for a period of 36**

We hereby request the service providers to quote for the above mentioned tender through a competitive bidding process.

##### Scope of work

This specification covers the requirements for Voice over Internet Protocol (full VoIP) Telephony systems.

The scope includes the design, development, supply, delivery, installation, testing and commissioning of computer-based telephony systems, particularly software applications, hardware, and network communication hardware and software, and the cabling thereof. The Voice over Internet Protocol (VOIP) scope deals with the use of electronic computers, computer software, and telecommunication services to allow internal and external voice calls within the scope of this project.

A PBX device shall be installed at Phokwane Local Municipality main building located at the following physical address:

24 Hertzog Street  
Hartswater, northern cape  
8570

A cloud-base (hosted) PBX shall be readily available as a fail-safe option should the main system crash or unavailable due to any unforeseen circumstances.

##### DEFINITIONS AND ABBREVIATIONS

1. **Analogue Telephone Adapter (ATA)** a device used to connect one or more standard analogue telephones to a digital telephone system.
2. **Automated Attendant** (virtual receptionist) allows callers to be automatically transferred to an extension without the intervention of an operator.
3. **Basic Rate Interface** an ISDN configuration providing two bearer channels (64kbps each) used for voice and user data and 1 data channel (16kbps) used for signaling.
4. **Call Accounting** (call logging system)  
The recording and costing of all calls made by the telephone system
5. **Call authorization by pin code** authorizes outgoing calls from a handset by asking the user to enter a valid pin, each sip handset shall lock immediately after depletion of airtime and automatically topped up every Monday before start of business.

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.

6. **Pin amounts to be per Dept.** pin allocation will be determined by the line manager of each section.
7. **Call conferencing** a telephone call that allows more than one called party to participate in the telephone conversation.
8. **Call Detail Records (CDR)** a data record produced by a telephone exchange or other telecommunications equipment documenting the details of a phone call that passed through the facility or device. h) **Call forwarding** allows incoming telephone calls to extensions or trunk numbers to be forwarded to a third party which may be a mobile phone, voicemail box or any other telephone number.
9. **Call parking** allows a telephone conversation with a person to be put on hold and then be continued at any other extension.
10. **Call Pickup** allows a user to answer a call to another extension.
11. **Call Queues** a telephone system feature that queues incoming calls in a First In, First Out order, and distributes them to agents as they become available.
12. **Call Transfer** a feature that enables a user to relocate an existing call to another phone or automated attendant by dialing the number of the other phone.
13. **Call waiting** a feature that allows a calling party to place a call to an extension that is currently engaged. The called party has the option to suspend (place on hold) the current call and answer the new incoming call.
14. **Configurable Call Routes** the ability to route calls differently based on variables such as the calling number, called number, cost or time of day.
15. **Direct Inward Dialing (also Direct Dial In)**  
 Direct Inward dialing (DID) or Direct Dial-In (DDI) is a feature that allows a range of geographical area numbers to be allocated to a trunk line. All calls to these numbers are then forwarded by the PABX to a configurable destination which often is a telephone extension. p) **Do Not disturb** a feature that allows a user to prevent calls from ringing on his extension. It also includes the ability to redirect the incoming calls to another number or voicemail box. q) **Erlang (E)** a unit used as statistical measure of the load on a telephone network. In terms of this document defined as the average number of concurrent calls carried over a network calculated over an hour.
16. **Erlang B formula** a formula that describes the probability of call loss on a group of extensions or trunk lines.  
  
 When the blocking probability and busy hour traffic is known the formula can be used to calculate the number of lines required to provide a suitable service.
17. **Foreign Exchange Office (FXO)**  
 A telephone signaling interface that receives a POTS service.
18. **Foreign Exchange Station (FXS)**  
 A POTS telephone interface that supplies battery power, provides dial tone and generates ringing voltage. A device that connects to an FXS interface has an FXO interface (for example a telephone handset).

18. **Follow-Me Facility** a feature that routes calls to a specific person to numbers on a pre-configured list. Each number on the pre-configured list is dialed until the call is answered or the list is exhausted at which time the call is routed to either a voicemail box or other call attendant. v) **Grade of Service** the probability of a call in a circuit group being blocked or delayed for more than a specified interval with reference to the busy hour traffic.

19. **Interactive Voice Response** a system that allows a PBX to interact with callers through the use of voice and/or DTMF keypad inputs. Callers to the IVR can service their own inquiries by following the IVR dialogue. The IVR responds with pre-recorded or dynamically generated audio that directs callers how to proceed.

20. IP-PBX

An Internet Protocol Private Branch Exchange is a business telephone system designed to deliver voice or video over a data network and interoperate with the normal Public Switched Telephone Network.

21. **Integrated Service Digital Network** a set of communications standards for the digital transmission of voice, video and data over the traditional circuits of the public switched telephone network.

22. **Jitter**

A measure of the variability over time of the packet latency across a network.

23. Jitter Buffer

A buffer that aims to reduce the impact of jitter on voice communications over an IP network by queuing the packets for a small period of time.

24. **Latency** a measure of the time delay experienced when sending a packet of data over a network from the source to the destination that receives it and back.

25. **Loop-start signaling** a supervisory signal given by a telephone or PBX in response to the completion of the loop circuit (commonly referred to as “off-hook”).

26. Line Interfaces (also Line Card)

A modular electronic interface to the Public Switched Telephone Network or the internal telephone network.

27. **Mean Opinion Score**

A numerical indication of the quality of a voice network. MOS is generated by averaging the results of a set of standards, subjective tests where a number of listeners rate the audio quality of test sentences read aloud over the communications medium being tested. The MOS is the mean of all the individual scored and range from 1 (worst) to 5 (best).

28. **Music on Hold** a feature that plays music or other audio to the caller while he is placed on hold.

29. **Packet Loss** occurs when one or more of the packets of data sent over a network does not reach its destination.

30. **Public Address Voice Paging** the transmission of voice communications to one or more loudspeakers located throughout a building or area. The Public Address loudspeakers are

often amplified, and microphones may also be included to facilitate two-way communication.

31. **Quality of Service** refers to several aspects of telephony and computer networks that allow the transport of traffic with special requirements such as service response time, packet loss, echo etc.
32. **Session Initiation Protocol** a signaling protocol used for controlling communication sessions such as voice and video calls over the Internet Protocol.
33. **Trunk Line** a circuit using technologies such as ISDN or SIP connecting the PBX to a carrier (service provider) network.
34. **Voicemail**  
Allows callers to leave a voice message should a called party not be available. The voice message is stored on the system until the called party has the opportunity to retrieve the message where after he may perform an action on the message such as saving or deleting it.
35. **Voice over IP** refers to the communication protocols, technologies, methodologies, and transmission techniques involved in the delivery of voice communications over Internet Protocol based networks.
36. **Telephone Hot Desking** a feature that allows users make and receive calls from any one of a group of shared telephones and retain attributes such as their number, voicemail, and group memberships. Users log into these shared phones by means of a unique pin code that identifies the agent and activates the telephone for use.
37. **Call locks functionality:** The ability for the administrator to lock the PBX during afterhours, weekends and public holidays.
38. **Speed dial functionality** refers to a feature where frequently used cell numbers are added on the system to directly call the said numbers to avoid using pin codes.

## ABBREVIATIONS

<b>ADSL</b>	Asymmetric Digital Subscriber Line
<b>ATA</b>	Analogue Telephony Adapters
<b>BRI</b>	Basic Rate Interface
<b>COTS</b>	Commercial Off the Shelf
<b>CLI</b>	Caller Line Identity
<b>DECT</b>	Digital Enhanced Cordless Telephone
<b>DDI</b>	Direct-Dial In
<b>DID</b>	Direct Inward Dial
<b>DND</b>	Do Not Disturb
<b>DTMF</b>	Dual-tone multi-frequency
<b>ETSI</b>	European Telecommunications Standard Institute
<b>FXO</b>	Foreign Exchange Office
<b>FXS</b>	Foreign Exchange Station
<b>GoS</b>	Grade of Service

<b>GSM</b>	Global System for Mobile Communications
<b>ICASA</b>	Independent Communications Authority of South Africa
<b>IP</b>	Internet Protocol
<b>IP-PBX</b>	Internet Protocol Private Branch Exchange
<b>ISDN</b>	Integrated Services Digital Network
<b>ITU</b>	International Telecommunication Union
<b>IVR</b>	Interactive Voice Response
<b>LAN</b>	Local Area Network
<b>LCD</b>	Liquid Crystal Display
<b>LDAP</b>	Lightweight Directory Access Protocol
<b>MOS</b>	Mean Opinion Score
<b>PA</b>	Public Address (or Public Announcement)
<b>PABX</b>	Private Automatic Branch Exchange
<b>PC</b>	Personal Computer
<b>POTS</b>	Plain Old Telephone System
<b>PRI</b>	Primary Rate Interface
<b>PSTN</b>	Public Switched Telephone Network
<b>QoS</b>	Quality of Service
<b>SIP</b>	Session Initiation Protocol
<b>SNMP</b>	Simple Network Management Protocol
<b>VoIP</b>	Voice over Internet Protocol

#### INTERNAL NETWORK REQUIREMENTS

All network cabling shall be done according to the STANDARD SPECIFICATIONS: INFORMATION AND COMMUNICATION TECHNOLOGY.

#### SS-VOIP-5 VOIP HARDWARE

##### SS-VOIP-5.1 IP-PBX Hardware

###### 1) General

- a. All IP-PBX hardware shall have valid ICASA type approval;
- b. IP-PBX hardware shall be rack-mountable in a standard 19-inch communications rack;
- c. The IP-PBX shall be scalable both in terms of the number of extensions and number of line interfaces available to the system;
- d. The IP-PBX shall be based on open standards;
- e. The IP-PBX hardware (such as line cards and power supply) should be modular and replaceable or upgradeable as required;
- f. The IP-PBX shall be fully grounded as per the manufacturer's specification;
- g. Electrical power to the IP-PBX shall only be supplied by Uninterruptible Power Supply; and

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.

- h. The IP-PBX and all incoming trunk lines shall be supplied with a suitable surge protection device.

## 2) Features

- a. The IP-PBX shall have at least the following call features
  - a.i. Automated attendant;
  - a.ii. Call accounting;
  - a.iii. Call authorization by pin code; per handset/extension NOT the whole PBX
  - a.iv. Call conferencing;
  - a.v. Call forwarding;
  - a.vi. Call parking;
  - a.vii. Call pickup;
  - a.viii. Call queues;
  - a.ix. Call recording;
  - a.x. Call transfer;
  - a.xi. Call waiting;
  - a.xii. Direct Inward Dialing (DID) with call routing to specified extension;
  - a.xiii. Do Not Disturb (DND) function;
  - a.xiv. Follow-me facility;
  - a.xv. Fully configurable call routes;
  - a.xvi. Interactive voice response;
  - a.xvii. Music on hold;
  - a.xviii. Public Address Voice Paging;
  - a.xix. Voicemail; and
  - a.xx. Telephone hot-desking capability with agent login by pin or password.
  
- b. The IP-PBX shall have at least two Ethernet LAN interfaces for connecting to the network;
- c. The IP-PBX should have secure, remote management and monitoring capabilities that allows full control over the IP-PBX and its configuration;
- d. The IP-PBX shall be SNMP v3 compliant;
- e. The IP-PBX shall have a backup and restore facility for its configuration, voicemail and call detail records as well as call recordings;
- f. The IP-PBX should have full support for analogue and VoIP handsets;
- g. If the IP-PBX supports FXO or FXS trunk lines the IP-PBX shall have full hardware echo cancellation; and
- h. The IP-PBX shall have as a minimum have a configurable jitter buffer of between 0 and 150ms for VoIP calls.

### 3) IP-PBX line Interfaces

Unless otherwise specified the following line interfaces shall be supported by the IP-PBX: a.

#### SIP

a.i. The SIP packet interface shall be fully SIP RFC 3261 compliant.

#### b. POTS

b.i. The IP-PBX shall support both FXO and FXS analogue line interfaces.

b.ii. FXO and FXS interfaces shall support the loop-start signaling system;  
and

b.iii. FXO and FXS interfaces shall support DTMF as specified

### 4) IP-PBX Capacity

a. The IP-PBX shall be supplied with 20% more capacity (in seats or extensions) than currently required;

b. The IP-PBX shall be supplied with 30% more-line interfaces of each type than required except in the case of ISDN-PRI;

c. The IP-PBX shall be considered at full capacity when either

c.i. The number of available extensions is less than 5% of the total number of extensions.

d. The IP-PBX shall be capable of expanding both its call capacity and line interface capacity through the addition of internal hardware and/or connected gateways; and

e. Additional hardware and gateways used to increase the IP-PBX capacity shall be of the same type and specification.

### 5) Supported Codecs

a. The IP-PBX should support at least the following voice codecs for VoIP based calls:

a.i. ITU G.711 a-law and u-law; and

a.ii. ITU G.729

b. The preferred codec for SIP trunk interfaces shall be ITU G.729;

c. The IP-PBX shall be supplied with all required licenses for the duration of the contract for every:

c.i. SIP trunk line;

c.ii. Extension; and

c.iii. Codec.

d. Proprietary codecs will not be accepted.

#### **VoIP Handsets**

1) All VoIP handsets supplied shall be SIP RFC3261 compliant;

2) All VoIP handsets shall have ICASA type approval;

3) VoIP handsets shall be capable of being powered over the Ethernet and be IEEE 802.3af compliant;

4) VoIP handsets shall have an automatic service provisioning feature that will allow “plug and play” installations. This should primarily be done through the use of DHCP;

5) VoIP Handsets shall have two Ethernet Network interfaces with a built-in switch to allow the phone to share the network connection with a PC or other network hardware;

- 6) VoIP Handsets shall support all call features and codecs provided by the IP-PBX. It is the responsibility of the contractor to ensure that he/she selects the VoIP Handsets according to the IP-PBX features and requirements;
- 7) All VoIP handsets shall have an LCD display capable of displaying call information, caller line identity and address book information;
- 8) The handset shall be capable of retrieving address book and call information via the Lightweight Directory Access Protocol (LDAP); and
- 9) All VoIP handsets for Executive, Secretarial, and Reception personnel will have the following additional features:
  - a. Programmable key set that can be expanded with additional keys as necessary;
  - b. Busy lamp field indicator that shows busy lines;
  - c. LCD display capable of displaying call information, caller line identity and address book information; and
  - d. Computer telephony integration that allows for the following functions:
    - d.i. Automatic dialing and computer-controlled dialing from the user`s personal computer; and
    - d.ii. Telephone call control including call answer, call disconnect, call hold and conference call and control of other call features such as do not disturb or call forwarding.

#### **Wireless VoIP handsets and base stations**

- 1) All wireless VoIP handsets shall be based on the Digital Enhanced Cordless Telecommunications (DECT) Standard;
- 2) Unless otherwise specified all wireless VoIP handsets should have the same features as corded VoIP handsets;
- 3) All wireless VoIP DECT base stations shall support DECT repeaters;
- 4) All VoIP DECT base stations should be wall or ceiling mounted in a suitable position;
- 5) All VoIP DECT base stations shall be able to carry at least eight concurrent calls and support at least 6 handsets;
- 6) All VoIP DECT base stations shall have at least one Ethernet Network interface;
- 7) All VoIP DECT base stations shall support the ITU G.711 voice codec;
- 8) All VoIP DECT base stations shall have a rated coverage area of at least 50m when placed indoors and 100m when placed outdoors;
- 9) All DECT handsets shall be supplied with charging cradles; and
- 10) All DECT handsets shall provide a battery talk-time of at least 8 hours and standby time of 100 hours.

#### **Conference Telephones**

- 1) All conference telephones shall be SIP RFC3261 compliant.
- 2) All conference telephones shall support the ITU G.711 voice codec;
- 3) All conference telephones shall have at least on Ethernet Network Interface;
- 4) All conference telephones shall be capable of being powered over Ethernet and be IEEE 802.3af compliant.
- 5) All conference telephones shall support call conferencing between four or more participants;

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.

- 6) All conference telephones shall have built-in microphones with the option to add external microphones as required; and

All conference telephones shall have full call control (dial, hang up, mute and volume control) and also a numeric keypad for dialing.

## **VOIP/PBX SOFTWARE**

### Telephone Call Management Software

- 1) Telephone call management software shall be installed that is compatible with the IP-PBX;
- 2) The telephone call management software shall have the following features:
  - a. Generate reports on extensions, users, departments, and trunk lines;
  - b. Reports that detail the time and date, user, extension used, duration of the call and the cost of the call;
  - c. The ability to send scheduled reports automatically by e-mail; and
  - d. Fully configurable call costs including per minute and per second billing.
- 3) The telephone call management software shall be supplied fully licensed for the duration of the contract.

### **Installation, configuration, setup, testing, commissioning, diagnostic and fault-finding documentation**

- 1) Detailed installation, configuration, setup, testing, commissioning, diagnostic and fault-finding documentation for all components (including network, hardware, software, etc.) included in the system must be supplied by the Contractor to the ICT office prior to hand-over of the system.

### **User Manuals, System Administration Manuals, Training Manuals and Maintenance Manuals**

- 1) The Contractor shall supply detailed User Manuals, System Administration Manuals, Training Manuals and Maintenance manuals for all components included in the system. The Contractor shall supply these manuals to the ICT Office prior to hand-over.

### **Master Record Index (MRI) of All Documents**

- 1) The Contractor shall supply a full and detailed MRI listing all documents, versions and status to the ICT Office prior to hand-over.

### **Quantities**

Item	Quantities	Location
1	150 sip handsets	Hartswater Main building
	3 Reception sip (transfer) sip phones	
	4 executive sip handsets	
	3 (conference sip handsets	
	3 (VoIP DECT base stations)	
2	20 sip handsets	JanKemp dorp office
	1 reception sip (transfer) handset	
	2 conference sip handsets	
	1 executive sip handset	
	1 VoIP DECT base station	

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.

	5 sip handsets	JanKemp Dorp library
3	5 sip handsets	Jankemp dorp traffic office
4	3 sip handsets	Jankemp dorp workshop
5	10 sip handsets 2 VoIP DECT base station	Hartswater traffic office
6	6 sip handsets	Hartswater library
7	3 sip handsets	Hartswater workshop
8	8 Sip Handsets	Pampierstad library

NB! It is compulsory that service providers attach proof of similar project executed from institutions e.g. Appointment letter/ Official purchase order / letter from the institution indicating that the work was indeed executed successfully.

## FUNCTIONALITY

Criteria	Guidelines	Score	Weighting
Experience	Three (3) signed contactable reference letters on the client's letterhead of similar projects, which must include in them scope, period, and contacts. > 5 letters = 15 Points > 3 letters = 10 Points >1 letters = 5 Points	15	15
ICASA Certificate/ ICASA Exemption Certificate	ICASA Exemption Certificate Provide ICASA Electronic Communication Service/Electronic Communication Network Service License or exception letter for operating in the telecommunication space	15	15
Completed And Ongoing Projects	➤ 5 or more relevant projects = 30 ➤ 4 relevant projects = 20 ➤ 3 relevant projects = 10 ➤ 2 or less relevant projects = 5	30	30
CV's with copies of the team	➤ 3 or more CV's =20 ➤ 2 CV's = 10 ➤ 1 CV =5	20	20
BEEE	➤ 100	10	10
Locality	➤ Bidders located around Phokwane municipality.	10	10
Total			100%

The minimum score for functionality will be 60%, bidders who score below 60% will not be considered for further evaluation.

## **SELECTION CRITERIA**

The following criteria in conjunction with accepted procurement criteria will be applied during the evaluation of the proposals to the Phokwane Local Municipality:

- A demonstrated understanding of the requirements of the brief;
- The strength of the company's ability to complete the job successfully.
- The strength of the creative material in meeting the objectives;
- Relevant and related experience of the team of people who will work on the project;
- The ability to deliver within the time frame set;

## **SERVICE LEVEL AGREEMENT**

Once your Company has been selected, you will need to sign a contract which outlines the agreed duties of each party, as well as the required deliverables, remuneration, mutual delegations and terms and conditions of the appointment. The contract will be for the duration of the project including the liability period. The following considerations should be noted when contractual negotiations begin:

- **Intellectual property**
- **Privacy of information**
- **Terms and conditions**

## **REQUIRED BIDDER PROFILE:**

A company profile should be submitted, while interested parties should also indicate in their proposals their expertise and capacity to undertake the project in question. Previous experience reference list with recent contacts telephone numbers must be attached.

## **REFERENCES**

The proposal should include a client reference list with contact details and a brief description of projects successfully completed with clear indication of project awarded amounts, time frame and description of the relevant project. Similar references of other district and local municipalities or provincial governments will be an added recommendation and/or advantage.

**NB: Failure to comply with these conditions will result in your offer being disqualified. All above mentioned conditions are compulsory.**

## 1.2: TENDER CONDITIONS AND INFORMATION

### 1. General and special conditions of contract

The general conditions of contract (GCC) as well as special conditions of contract (SCC) forming part of this set of tender documents will be applicable to this tender in addition to the conditions of tender. Where the GCC and SCC are in conflict with one another, the stipulations of the SCC will prevail.

### 2. Acceptance or Rejection of a tender

The municipality reserves the right to withdraw any invitation to tender and/or to re-advertise or to reject any tender or to accept part of it. The municipality does not bind itself to accepting the lowest tender or the tender scoring the highest points. The municipality reserves the right to waive any requirements as contained in the bid conditions and or specifications.

### 3. Validity Period

Bids shall remain valid for ninety (90) days after the tender closure date.

### 4. VAT

Price(s) quoted must be firm and must be inclusive of VAT.

### 5. Registration on central supplier database

It is expected of all prospective service providers who are not yet registered on the central supplier database to register without delay on the prescribed form. The municipality reserves the right not to award tenders to prospective suppliers who are not registered on the database.

### 6. Completion of Tender Documents

- a) The original tender document must be completed fully in black ink and signed by the authorised signatory to validate the tender. Failure to do so will result in the disqualification of the tender.
- b) Tender documents may not be retyped. Retyped documents will result in the disqualification of the tender.
- c) The complete tender document must be returned. Missing pages will result in the disqualification of the tender.
- d) No unauthorized alteration of this set of tender documents will be allowed. Any unauthorized alteration will disqualify the tender automatically. Any ambiguity has to be cleared with contact person for the tender before the tender closure.

### 7. Compulsory Documentation

#### 7.1 Tax Clearance Certificate

- a) A copy of a Tax Compliance Status Pin or a Tax Compliance Certificate, printed from the South African Revenue Service (SARS) website, must accompany the bid documents. The onus is on the bidder to ensure that their tax matters with SARS are in order.
- b) In the case of a Consortium/Joint Venture every member must submit a separate Tax Compliance Status Pin and a Tax Compliance Certificate, printed from the SARS website, with the bid documents.
- c) If a bid is not supported by a Tax Compliance Status Pin and a Tax Compliance Certificate as an attachment to the bid documents, the Municipality reserves the right to obtain such documents after the closing date to verify that the bidder's tax matters are in order. If no such document can be obtained within a period as specified by the Municipality, the bid will be disqualified.
- d) The Tax Compliance Status Pin will be verified by the Municipality on the SARS website.

## **7.2 Municipal Rates, Taxes and Charges**

- a) A copy of the bidder's (in the name of the company and/or lease agreement) and / or those of its directors' municipal accounts (for the Municipality where the bidder pays his account) for the month preceding the tender closure date must accompany the tender documents. If such a copy does not accompany the bid document of the successful bidder, the Municipality reserves the right to obtain such documents after the closing date to verify that their municipal accounts are in order.
- b) Any bidder which is or whose directors are in arrears with their municipal rates and taxes or municipal charges due to any Municipality or any of its entities for more than three months and have not made an arrangement for settlement of same before the bid closure date will be unsuccessful.
- c) If a bidder rents their premises, proof must be submitted that the rental includes their municipal rates and taxes or municipal charges and that their rent is not in arrears.
- d) In the event of residing at the rural area where services are not rendered a letter from the tribal authority with affidavit must be submitted.
- e) Must be current municipal account.

## **8. Compulsory statutory supporting documents**

- a) Certified copies of Identity Documents of members / shareholders / directors of the company (original stamp not older than 3 months).
- b) Valid CIPC documents / copies of company registration documents.
- c) Declaration of interest forms duly completed (MBD documents).
- d) General conditions of contract must be properly signed.
- e) Local content documents to be complete (when applicable)

## **9. Conditions**

Comply with conditions as specified in the Bid documents and / or specification documents.

## **10. Quotation**

- a) Specifications must be disclosed on the quotation.
- b) Quotation must be properly signed and must be on the company's letterhead.

## **11. Site / Information Meetings**

- a) Site or information meetings, if specified, are compulsory. Bids will not be accepted from bidders who have not attended compulsory site or information meetings.

## **12. Samples**

Samples, if requested, are to be provided to the Municipality with the tender document or as stipulated.

## **13. Quantities of Specific Items**

If tenders are called for a specific number of items, the Municipality reserves the right to change the number of such items to be higher or lower. The successful bidder will then be given an opportunity to evaluate the new scenario and inform the Municipality if it is acceptable. If the successful bidder does not accept the new scenario, it will be offered to the second-placed bidder. The process will be continued to the Municipality's satisfaction.

## **14. Submission of Tender**

- a) The tender should be clearly marked and must be submitted to 24 Hertzog Street, Hartswater.
- b) Faxed and late tenders will not be accepted.

## **15. Expenses Incurred in Preparation of Tender**

The Municipality shall not be liable for any expenses incurred in the preparation and submission of the tender.

## **16. Contact with Municipality after Tender Closure Date**

Bidders shall not contact Phokwane Local Municipality on any matter relating to their bid from the time of the opening of the bid to the time the contract is awarded. If a bidder wishes to bring additional information to the attention of Phokwane Local Municipality, it should do so in writing. Any effort by the firm to influence Phokwane Local Municipality in the bid evaluation, bid comparison or contract award decisions may result in the rejection of the bid.

## **17. Opening, Recording and Publications of Tenders Received**

- a) Tenders will be opened on the closing date immediately after the closing time specified in the tender documents. If requested by any bidder present, the names of the bidders, and if practical, the total amount of each bid and of any alternative bids will be read out aloud.
- b) Details of tenders received in time will be recorded in a register which is open to public inspection.
- c) Faxed and late tenders will not be accepted.

## **18. Evaluation of Tenders**

Tenders will be evaluated in terms of their responsiveness to the tender specifications and requirements as well as such additional criteria as set out in this set of tender documents.

## **19. Procurement Policy**

Bids will be evaluation in terms of the 80 (price) /20 (B-BBEE status) preferential point system. Bids will be awarded in accordance with the Preferential Procurement Regulations, 2001 pertaining to the Preferential Procurement Policy Framework Act, No 5 of 2000 and its amendments as well as the Municipality's Supply Chain Management Policy.

## **20. Contract**

The Municipality, at its discretion, may request the signing of an additional Service Level Agreement which, together with the signed tender document, will constitute the full agreement between the Municipality and the successful bidder.

## **21. Subcontracting**

- a) The service provider shall not subcontract the whole of the Contract.
- b) Except where otherwise provided by the service provider, the service provider shall not subcontract any part of the Contract without the prior written consent of the Municipality, which consent shall not be unreasonably withheld.
- c) The contractual relationship between the service provider and any subcontractors selected by the service provider in consultation with the Municipality in accordance with the requirements of and a procedure contained within the Scope of Work, shall be the same as if the service provider had appointed the subcontractor in terms of paragraph (b) above.
- d) Any consent granted in accordance with paragraph (b) or appointment of a subcontractor in accordance with paragraph (c) shall not imply a contract between the Municipality and the subcontractor, or a responsibility or liability on the part of the Municipality to the subcontractor and shall not relieve the service provider from any liability or obligation under the Contract and he shall be liable for the acts, defaults and neglects of any subcontractor, his agents or employees as fully as if they were the acts, defaults or neglects of the service provider, his agents or employees.

## **22. Language of Service Provider**

The contract documents will be compiled in English and the English versions of all referred documents will be taken as applicable.

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of  
36 months.

### **23. Extension of Contract**

The contract with the successful bidder may be extended on the basis of performance with a period not exceeding 15% of the original contract.

### **24. Wrong Information Furnished**

Where a contract has been awarded on the strength of the information furnished by the bidder which, after the conclusion of the relevant agreement, is proved to have been incorrect, the Municipality may, in addition to any other legal remedy it may have, recover from the contractor all costs, losses or damages incurred or sustained by the Municipality as a result of the award of the contract.

### **25. Past Practices**

- a) The bid of any bidder may be rejected if that bidder or any of its directors have abused the municipality's supply chain management system or committed any improper conduct in relation to such system.
- b) The bid of any bidder may be rejected if it is or has been found that that bidder or any of its directors influenced or tried to influence any official or councilor with this or any past tender.
- c) The bid of any bidder may be rejected if it is or has been found that that bidder or any of its directors offered, promised or granted any official or any of his/her close family members, partners or associates any reward, gift, favor, hospitality or any other benefit in any improper way, with this or any past tender.

### **26. Validity of BEE certificates:**

- a) **If the certificate was issued by a verification agency the following must be on the face of the certificate:**

SANAS logo, unique BVA number, must be an original certificate or certified copy of the original, the name and physical location of the bidder, the registration number and, where applicable, the VAT number of the bidder, the date of issue and date of expiry of the certificate, the certificate number for identification and reference, the scorecard that was used (for example EME, QSE or Generic), the name and / or logo of the Verification Agency, the certificate must be signed by the authorized person from the Verification Agency and the B-BBEE Status Level of Contribution obtained by the bidder.

- b) **If the certificate was issued by registered auditors approved by IRBA**

Clearly identify the B-BBEE approved registered auditor by the auditor's individual registration number with IRBA and the auditor's logo, clearly record an approved B-BBEE Verification Certificate identification reference in the format required by the SASAE, reflect relevant information regarding the identity and location of the measured entity, identify the Codes of Good Practice or relevant Sector Codes applied in the determination of the scores, record the weighting points (scores) attained by the measured entity for each scorecard element, where applicable, and the measured entity's overall

B-BBEE Status Level of Contribution, reflect that the B-BBEE Verification Certificate and accompanying assurance report issued to the measured entity is valid for 12 months from the date of issuance and reflect both the issuance and expiry date, and the B-BBEE Status Level of Contribution obtained by the bidder and must be an certified copy of the original.

**FAILURE TO COMPLY WITH THE ABOVEMENTIONED WILL RESULT IN NO PREFERENCE POINTS BEING AWARDED**

### **27. Letter of Good Standing from the Commissioner of Compensation**

- a) A valid Letter of Good Standing from the Compensation Commissioner or a copy thereof, must accompany the bid documents unless the bidder is registered on the Central Supplier Database and they have a valid Letter of Good Standing from the Compensation Commissioner or a copy thereof for the bidder on record. The onus is on the bidder to ensure that the Municipality has a valid Letter of Good Standing from the Compensation Commissioner or a copy thereof on record.

- b) In the case of a Consortium/Joint Venture every member must submit a separate valid Letter of Good Standing from the Compensation Commissioner or a copy thereof with the bid documents unless the member is registered on the Central Supplier Database and they have a valid Letter of Good Standing from the Compensation Commissioner or a copy thereof on record for all members of the Consortium/Joint Venture.
- c) If a bid is not supported by a valid Letter of Good Standing from the Compensation Commissioner or a copy thereof, either as an attachment to the bid documents or on record in the case of suppliers registered on the Central Supplier Database, the Municipality reserves the right to obtain such document after the closing date. If no such document can be obtained within a period as specified by the Municipality, the bid will be disqualified.
- d) If a bid is accompanied by proof of application for valid Letter of Good Standing from the Compensation Commissioner, the original or copy thereof must be submitted on/or before the final date of award.
- e) Should a bidder's Letter of Good Standing from the Compensation Commissioner expire during the contract period, a valid certificate must be submitted within an agreed upon time.
- f) The right is reserved to not award a tender if a valid Letter of Good Standing from the Compensation Commissioner or a certified copy thereof is not submitted within the requested time.

**28. Authorized Signatory**

- a) A bid shall be eligible for consideration only if it bears the signature of the bidder or of some person duly and lawfully authorized to sign it for and on behalf of the bidder.

**29. Negotiations**

Should the tender prices be higher than the available funds of the client, the client reserves the right to negotiate with the successful bidder to limit the work in accordance with the tender specifications in order not to exceed the available budget.

**30. SABS Approved**

Product must be SABS approved.

**31. In the case of a Trust, Consortium or Joint venture the following will apply:**

- i) The Trust, Consortium or Joint venture agreement must be submitted as part of the bid documents;
- ii) No amendments to Trust, Consortium or Joint venture agreement may be made without the prior approval of the Municipality; if not accepted by the Municipality and the Trust, Consortium or Joint venture continue without approval the Trust, Consortium or Joint venture contract can be cancelled as if poor performance had taken place;
- iii) The Trust, Consortium or Joint venture will only qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits, together with the submission of the bid, their B-BBEE status level certificate issued in the name of the Trust, Consortium or Joint venture.
- iv) All members of the Trust, Consortium or Joint venture must submit, with the bid documents:
  - a) A valid tax clearance certificate or SARS tax pin, individually;
  - b) an agreement that clearly provides clarity of Profit and liability sharing; and
  - c) a resolution taken by the board of directors of the Consortium or Joint venture and other information that agrees with the Trust, Consortium or Joint venture agreement.
- v) For the evaluation of functionality regarding a Consortium or Joint venture refer to the functionality section.

## 1.3: GENERAL CONDITIONS OF CONTRACT

### NOTES

The purpose of this document is to:

- i. Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- ii. To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

### TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of  
36 months.

**General Conditions of Contract**

**1. Definitions**

1. The following terms shall be interpreted as indicated:
  - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 “Day” means calendar day.
  - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
  - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
  - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
  - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
  - 1.12 ”Force majeure” means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
  - 1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed

<b>General Conditions of Contract</b>	
	<p>to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.</p> <p>1.14 “GCC” means the General Conditions of Contract.</p> <p>1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.</p> <p>1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.</p> <p>1.17 “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.</p> <p>1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.</p> <p>1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.</p> <p>1.20 “Project site,” where applicable, means the place indicated in bidding documents.</p> <p>1.21 “Purchaser” means the organization purchasing the goods.</p> <p>1.22 “Republic” means the Republic of South Africa.</p> <p>1.23 “SCC” means the Special Conditions of Contract.</p> <p>1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.</p> <p>1.25 “Written” or “in writing” means hand-written in ink or any form of electronic or mechanical writing.</p>
<b>2. Application</b>	<p>2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p>

<b>General Conditions of Contract</b>	
	2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
<b>3. General</b>	<p>3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non- refundable fee for documents may be charged.</p> <p>3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from <a href="http://www.treasury.gov.za">www.treasury.gov.za</a></p>
<b>4. Standards</b>	4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
<b>5. Use of contract documents and information; inspection</b>	<p>5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.</p> <p>5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.</p> <p>5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.</p> <p>5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.</p>
<b>6. Patent rights</b>	6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
<b>7. Performance security</b>	<p>7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.</p> <p>7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier’s failure to complete his obligations under the contract.</p>

<b>General Conditions of Contract</b>	
	<p>7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:</p> <p style="padding-left: 40px;">(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or</p> <p style="padding-left: 40px;">(b) an cashier's or certified cheque.</p> <p>7.4 The performance security will be discharged by the purchaser and returned to the provider not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.</p>
<b>8. Inspections, tests and analyses</b>	<p>8.1 All pre-bidding testing will be for the account of the bidder.</p> <p>8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.</p> <p>8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.</p> <p>8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.</p> <p>8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.</p> <p>8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.</p> <p>8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the provider further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.</p>

<b>General Conditions of Contract</b>	
	8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.
<b>9. Packing</b>	<p>9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.</p> <p>9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instruction ordered by the purchaser.</p>
<b>10. Delivery and documents</b>	<p>10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.</p> <p>10.2 Documents to be submitted by the supplier are specified in SCC.</p>
<b>11. Insurance</b>	11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.
<b>12. Transportation</b>	12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.
<b>13. Incidental Services</b>	<p>13.1 The provider may be required to provide any or all of the following services, including additional services, if any, specified in SCC:</p> <ol style="list-style-type: none"> <li>a. performance or supervision of on-site assembly and/or commissioning of the supplied goods;</li> <li>b. furnishing of tools required for assembly and/or maintenance of the supplied goods;</li> <li>c. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;</li> <li>d. performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and</li> <li>e. training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.</li> </ol> <p>13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.</p>

**General Conditions of Contract**

<b>14. Spare parts</b>	<p>14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:</p> <ul style="list-style-type: none"> <li>(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and</li> <li>(b) in the event of termination of production of the spare parts: <ul style="list-style-type: none"> <li>i. Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and</li> <li>ii. following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.</li> </ul> </li> </ul>
<b>15. Warranty</b>	<p>15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.</p> <p>15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.</p> <p>15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.</p> <p>15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.</p> <p>15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.</p>
<b>16. Payment</b>	<p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.</p> <p>16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p>

<b>General Conditions of Contract</b>	
<b>17. Prices</b>	17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
<b>18. Contract amendments</b>	18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
<b>19. Assignment</b>	19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
<b>20. Subcontracts</b>	20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under these contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
<b>21. Delays in the supplier's performance</b>	<p>21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.</p> <p>21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.</p> <p>21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, Provincial department or a local authority.</p> <p>21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.</p> <p>21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.</p> <p>21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.</p>

**General Conditions of Contract**

<p><b>22. Penalties</b></p>	<p>22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.</p>
<p><b>23. Termination for default</b></p>	<p>23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:</p> <ul style="list-style-type: none"> <li>a. if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;</li> <li>b. if the supplier fails to perform any other obligation(s) under the contract; or</li> <li>c. if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.</li> </ul> <p>23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.</p> <p>23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.</p> <p>23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.</p> <p>23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first- mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.</p> <p>23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:</p> <ul style="list-style-type: none"> <li>i. the name and address of the supplier and / or person restricted by the purchaser;</li> <li>ii. the date of commencement of the restriction;</li> <li>iii. the period of restriction; and</li> <li>iv. the reasons for the restriction.</li> </ul>

<b>General Conditions of Contract</b>	
	<p>These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.</p> <p>23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.</p>
<b>24. Anti-Dumping and countervailing duties and rights</b>	<p>24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.</p>
<b>25. Force Majeure</b>	<p>25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.</p> <p>25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.</p>
<b>26. Termination for insolvency</b>	<p>26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.</p>
<b>27. Settlement of disputes</b>	<p>27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.</p> <p>27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in</p>

<b>General Conditions of Contract</b>	
	<p>respect of this matter may be commenced unless such notice is given to the other party.</p> <p>27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.</p> <p>27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC</p> <p>27.5 Notwithstanding any reference to mediation and/or court proceedings herein,  a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and  b) the purchaser shall pay the provider any monies due the supplier.</p>
<b>28. Limitation of liability</b>	<p>28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;  a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and  b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.</p>
<b>29. Governing language</b>	<p>29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.</p>
<b>30. Applicable law</b>	<p>30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.</p>
<b>31. Notices</b>	<p>31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.</p> <p>31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.</p>
<b>32. Taxes and duties</b>	<p>32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.</p> <p>32.2 A local provider shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.</p> <p>32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the department must be in possession of a tax clearance</p>

<b>General Conditions of Contract</b>	
	certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
<b>33. National Industrial Participation Programme (NIPP)</b>	33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
<b>34. Prohibition of restrictive practices</b>	<p>34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).</p> <p>34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchase may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.</p> <p>34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.</p>

**CERTIFICATION**

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

.....  
**CERTIFY THAT I HAVE READ AND UNDERSTOOD THE GENERAL CONDITIONS OF CONTRACT.**

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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

## 1.4: GUIDANCE DOCUMENT FOR THE CALCULATION OF LOCAL CONTENT

<b>1. DEFINITIONS</b>	
Unless explicitly provided in this guideline, the definitions given in SATS 1286:2011 apply.	
<b>2. GENERAL</b>	
<b>2.1 Introduction</b>	<p>This guideline provides tenderers with a detailed description of how to calculate local content of products (goods, services and works) by components/material/services and enables them to keep an updated record for verification requirements as per the SATS 1286:2011 Annexure A and B.</p> <p>The guideline consists of two parts, namely:</p> <ul style="list-style-type: none"> <li>· a written guideline; and</li> <li>· three declarations that must be completed: <ul style="list-style-type: none"> <li>– Declaration C: “Local Content Declaration – Summary Schedule” (see Annexure C);</li> <li>– Declaration D: “Imported Content Declaration – Supporting Schedule to Annex C” (see Annexure D); and</li> <li>– Declaration E: “Local Content Declaration – Supporting Schedule to Annex C” (see Annexure E).</li> </ul> </li> </ul> <p>The guidelines and declarations should be used by tenderers when preparing a tender. A tenderer must complete Declarations D and E, and consolidate the information on Declaration C.</p> <p>Annexure C must be submitted with the tender by the closing date and time as determined by the Tender Authority. The Tender Authority reserves the right to request that Declarations D and E also be submitted.</p> <p>If the tender is successful, the tenderer must continuously update Declarations C, D and E with actual values for the duration of the contract.</p> <p><b>NOTE:</b> Annexure A is a note to the purchaser in SATS 1286:2011; and Annexure B is the Local Content Declaration IN SATS 1286:2011.</p>
<b>2.2 What is local content</b>	According to SATS 1286:2011, the local content of a product is the tender price less the value of imported content, expressed as a percentage. It is, therefore, necessary to first compute the imported value of a product to determine the local content of a product.
<b>2.3 Categories: Imported and Local Content</b>	<p>The tenderer must differentiate between imported content and local content.</p> <p>Imported content of a product by components/material/services is separated into two categories, namely:</p> <ul style="list-style-type: none"> <li>· products imported directly by the tenderer; and</li> <li>· products imported by a third party and supplied to the tenderer.</li> </ul>
<b>2.3.1. Imported Content</b>	Identify the imported content, if any, by value for products by component/material/services. In the case of components/materials/services sourced from a South African manufacturer, agent, supplier or subcontractor (i.e. third party), obtain that information and Declaration D from the third party.

	<p>Calculate the imported content of components/materials/services to be used in the manufacture of the total quantity of the products for which the tender is to be submitted.</p> <p>As stated in clause 3.2.4 of SATS 1286:2011: “If information on the origin of components, parts or materials is not available, it will be deemed to be imported content.”</p> <p>2.3.1.1. Imported directly by the tenderer:</p> <p>When the tenderer import products directly, the onus is on the tenderer to provide evidence of any components/materials/services that were procured from a non-domestic source. The evidence should be verifiable and pertain to the tender as a whole. Typical evidence will include commercial invoices, bills of entry, etc.</p> <p>When the tenderer procures imported services such as project management, design, testing, marketing, etc and makes royalty and lease payments, such payments relating to the tender must be included when calculating imported content.</p> <p>2.3.1.2. Imported by a third party and supplied to the tenderer:</p> <p>When the tenderer supplies components/material/services that are imported by any third party (for example, a domestic manufacturer, agent, supplier or subcontractor in the supply chain), the onus is on the tenderer to obtain verifiable evidence from the third party.</p> <p>The tenderer must obtain Declaration D from all third parties for the related tender. The third party must be requested by the tenderer to continuously update Declaration D. Typical evidence of imported content will include commercial invoices, bills of entry etc.</p> <p>When a third party procures imported services such as project management, design, testing, marketing etc. and makes royalty and lease payments, such payments relating to the tender must be included when calculating imported content.</p> <p>2.3.1.3. Exempt Imported Content:</p> <p>Exemptions, if any, are granted by the Department of Trade and Industry (the dti). Evidence of the exemptions must be provided and included in Annexure D.</p>
<p><b>2.3.2. Local Content</b></p>	<p>Identify and calculate the local content, by value for products by components/materials/services to be used in the manufacture of the total quantity of the products.</p>
<p><b>3. ANNEXURE C</b></p>	

<p><b>3.1. Guidelines for completing Annexure C: Local Content Declaration – Summary Schedule</b></p>	<p>Note: The paragraph numbers correspond to the numbers in Annexure C.</p> <p><b>C1. Tender Number</b> Supply the tender number that is specified on the specific tender documentation.</p> <p><b>C2. Tender description</b> Supply the tender description that is specified on the specific tender documentation.</p> <p><b>C3. Designated products</b> Supply the details of the products that are designated in terms of this tender (i.e. buses).</p> <p><b>C4. Tender Authority</b> Supply the name of the tender authority.</p> <p><b>C5. Tendering Entity name</b> Provide the tendering entity name (for example, Unibody Bus Builders (Pty) Ltd).</p> <p><b>C6. Tender Exchange Rate</b> Provide the exchange rate used for this tender, as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.</p> <p><b>C7. Specified local content %</b> Provide the specified minimum local content requirement for the tender (i.e. 80%), as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MDB) 6.2.</p> <p><b>C8. Tender item number</b> Provide the tender item number(s) of the products that have a local content requirement as per the tender specification.</p> <p><b>C9. List of items</b> Provide a list of the item(s) corresponding with the tender item number. This may be a short description or a brand name.</p> <p><b><u>Calculation of local content</u></b></p> <p><b>C10. Tender price</b> Provide the unit tender price of each item excluding VAT.</p> <p><b>C11. Exempted imported content</b> Provide the ZAR value of the exempted imported content for each item, if applicable. These value(s) must correspond with the value(s) of column D16 on Annexure D.</p> <p><b>C12. Tender value net of exempted imported content</b></p>
---	--

	<p>Provide the net tender value of the item, if applicable, by deducting the exempted imported content (C11) from the tender price (C10).</p> <p><b>C13. Imported value</b> Provide the ZAR value of the items' imported content.</p> <p><b>C14. Local value</b> Provide the local value of the item by deducting the Imported value (C13) from the net tender value (C12).</p> <p><b>C15. Local content percentage (per item)</b> Provide the local content percentage of the item(s) by dividing the local value (C14) by the net tender value (C12) as per the local content formula in SATS 1286.</p> <p><b><u>Tender Summary</u></b></p> <p><b>C16. Tender quantity</b> Provide the tender quantity for each item number as per the tender specification.</p> <p><b>C17. Total tender value</b> Provide the total tender value by multiplying the tender quantity (C16) by the tender price (C10).</p> <p><b>C18. Total exempted imported content</b> Provide the total exempted imported content by multiplying the tender quantity (C16) by the exempted imported content (C11). These values must correspond with the values of column D18 on Annexure D.</p> <p><b>C19. Total imported content</b> Provide the total imported content of each item by multiplying the tender quantity (C16) by the imported value (C13).</p> <p><b>C20. Total tender value</b> Total tender value is the sum of the values in column C17.</p> <p><b>C21. Total exempted imported content</b> Total exempted imported content is the sum of the values in column C18. This value must correspond with the value of D19 on Annexure D.</p> <p><b>C22. Total tender value net of exempted imported content</b> The total tender value net of exempt imported content is the total tender value (C20) less the total exempted imported content (C21).</p> <p><b>C23. Total imported content</b> Total imported content is the sum of the values in column C19. This value must correspond with the value of D53 on Annexure D.</p> <p><b>C24. Total local content</b></p>
--	--

	<p>Total local content is the total tender value net of exempted imported content (C22) less the total imported content (C23). This value must correspond with the value of E13 on Annexure E.</p> <p><b>C25. Average local content percentage of tender</b> The average local content percentage of tender is calculated by dividing total local content (C24) by the total tender value net of exempted imported content (C22).</p>
--	---

**4. ANNEXURE D**

<p><b>4.1. Guidelines for completing Annexure D: “Imported Content Declaration – Supporting Schedule to Annexure C”</b></p>	<p>Note: The paragraph numbers correspond to the numbers in Annexure D.</p> <p><b>D1. Tender number</b> Supply the tender number that is specified on the specific tender documentation.</p> <p><b>D2. Tender description</b> Supply the tender description that is specified on the specific tender documentation.</p> <p><b>D3. Designated products</b> Supply the details of the products that are designated in terms of this tender (i.e. buses).</p> <p><b>D4. Tender authority</b> Supply the name of the tender authority.</p> <p><b>D5. Tendering entity name</b> Provide the tendering entity name (i.e. Unibody Bus Builders (Pty) Ltd).</p> <p><b>D6. Tender exchange rate</b> Provide the exchange rate used for this tender, as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.</p> <p><b><u>Table A. Exempted Imported Content</u></b></p> <p><b>D7. Tender item number</b> Provide the tender item number(s) of the product(s) that have imported content.</p> <p><b>D8. Description of imported content</b> Provide a list of the exempted imported product(s), if any, as specified in the tender.</p> <p><b>D9. Local supplier</b> Provide the name of the local supplier(s) supplying the imported product(s).</p> <p><b>D10. Overseas supplier</b> Provide the name(s) of the overseas supplier(s) supplying the exempted imported product(s).</p>
---	---

**D11. Imported value as per commercial invoice**

Provide the foreign currency value of the exempted imported product(s) disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).

**D12. Tender exchange rate**

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

**D13. Local value of imports**

Convert the value of the exempted imported content as per commercial invoice (D11) into the ZAR value by using the tender exchange rate (D12) disclosed in the tender documentation.

**D14. Freight costs to port of entry**

Provide the freight costs to the South African Port of the exempted imported item.

**D15. All locally incurred landing costs and duties**

Provide all landing costs including customs and excise duty for the exempted imported product(s) as stipulated in the SATS 1286:2011.

**D16. Total landed costs excl VAT**

Provide the total landed costs (excluding VAT) for each item imported by adding the corresponding item values in columns D13, D14 and D15. These values must be transferred to column C11 on Annexure C.

**D17. Tender quantity**

Provide the tender quantity of the exempted imported products as per the tender specification.

**D18. Exempted imported value**

Provide the imported value for each of the exempted imported product(s) by multiplying the total landed cost (excl. VAT) (D16) by the tender quantity (D17). The values in column D18 must correspond with the values of column C18 of Annexure C.

**D19. Total exempted imported value**

The total exempted imported value is the sum of the values in column D18. This total must correspond with the value of C21 on Annexure C.

**Table B. Imported Directly By Tenderer**

**D20. Tender item numbers**

Provide the tender item number(s) of the product(s) that have imported content.

**D21. Description of imported content:**

Provide a list of the product(s) imported directly by tender as specified in the tender documentation.

**D22. Unit of measure**

Provide the unit of measure for the product(s) imported directly by the tenderer.

**D23. Overseas supplier**

Provide the name(s) of the overseas supplier(s) supplying the imported product(s).

**D24. Imported value as per commercial Invoice**

Provide the foreign currency value of the product(s) imported directly by tenderer disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).

**D25. Tender rate of exchange**

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

**D26. Local value of imports**

Convert the value of the product(s) imported directly by the tenderer as per commercial invoice (D24) into the ZAR value by using the tender exchange rate (D25) disclosed in the tender documentation.

**D27. Freight costs to port of entry**

Provide the freight costs to the South African Port of the product(s) imported directly by the tenderer.

**D28. All locally incurred landing costs and duties**

Provide all landing costs including customs and excise duty for the product(s) imported directly by the tenderer as stipulated in the SATS 1286:2011.

**D29. Total landed costs excl VAT**

Provide the total landed costs (excluding VAT) for each item imported directly by the tenderer by adding the corresponding item values in columns D26, D27 and D28.

**D30. Tender quantity**

Provide the tender quantity of the product(s) imported directly by the tenderer as per the tender specification.

**D31. Total imported value**

Provide the total imported value for each of the product(s) imported directly by the tenderer by multiplying the total landed cost (excl. VAT) (D29) by the tender quantity (D30).

**D32. Total imported value by tenderer**

The total value of imports by the tenderer is the sum of the values in column D31.

**Table C. Imported by Third Party and Supplied to the Tenderer**

**D33. Description of imported content**

Provide a list of the product(s) imported by the third party and supplied to the tenderer as specified in the tender documentation.

**D34. Unit of measure**

Provide the unit of measure for the product(s) imported by the third party and supplied to tenderer as disclosed in the commercial invoice.

**D35. Local supplier**

Provide the name of the local supplier(s) supplying the imported product(s).

**D36. Overseas supplier**

Provide the name(s) of the overseas supplier(s) supplying the imported products.

**D37. Imported value as per commercial invoice**

Provide the foreign currency value of the product(s) imported by the third party and supplied to the tenderer disclosed in the commercial invoice accepted by SARS.

**D38. Tender rate of exchange**

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

**D39. Local value of imports**

Convert the value of the product(s) imported by the third party as per commercial invoice (D37) into the ZAR value by using the tender exchange rate (D38) disclosed in the tender documentation.

**D40. Freight costs to port of entry**

Provide the freight costs to the South African Port of the product(s) imported by third party and supplied to the tenderer.

**D41. All locally incurred landing costs and duties**

Provide all landing costs including customs and excise duty for the product(s) imported by third party and supplied to the tenderer as stipulated in the SATS 1286:2011.

**D42. Total landed costs excluding VAT**

Provide the total landed costs (excluding VAT) for each product imported by third party and supplied to the tenderer by adding the corresponding item values in columns D39, D40 and D41.

**D43. Quantity imported**

Provide the quantity of each product(s) imported by third party and supplied to the tenderer for the tender.

**D44. Total imported value**

Provide the total imported value of the product(s) imported by third party and supplied to the tenderer by multiplying the total landed cost (D42) by the quantity imported (D43).

**D45. Total imported value by third party**

The total imported value from the third party is the sum of the values in column D44.

	<p><b><u>Table D. Other Foreign Currency Payments</u></b></p> <p><b>D46. Type of payment</b> Provide the type of foreign currency payment. (I.e. royalty payment for use of patent, annual license fee, etc.).</p> <p><b>D47. Local supplier making the payment</b> Provide the name of the local supplier making the payment.</p> <p><b>D48. Overseas beneficiary</b> Provide the name of the overseas beneficiary.</p> <p><b>D49. Foreign currency value paid</b> Provide the value of the listed payment(s) in their foreign currency.</p> <p><b>D50. Tender rate of exchange</b> Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.</p> <p><b>D51. Local value of payments</b> Provide the local value of each payment by multiplying the foreign currency value paid (D49) by the tender rate of exchange (D50).</p> <p><b>D52. Total of foreign currency payments declared by tenderer and/or third party</b> The total of foreign currency payments declared by tenderer and/or a third party is the sum of the values in column D51.</p> <p><b>D53. Total of imported content and foreign currency payment</b> The total imported content and foreign currency payment is the sum of the values in column D32, D45 and D52. This value must correspond with the value of C23 on Annexure C.</p>
<p><b>5. ANNEXURE E</b></p>	
<p><b>5.1. Guidelines to completing Annexure E: “Local Content Declaration Supporting Schedule to Annexure C”</b></p>	<p>The paragraph numbers correspond to the numbers in Annexure E</p> <p><b>E1. Tender number</b> Supply the tender number that is specified on the specific tender documentation.</p> <p><b>E2. Tender description</b> Supply the tender description that is specified on the specific tender documentation.</p> <p><b>E3. Designated products</b> Supply the details of the products that are designated in terms of this tender (for example, buses/canned vegetables).</p> <p><b>E4. Tender authority</b> Supply the name of the tender authority.</p>

	<p><b>E5. Tendering entity name</b> Provide the tendering entity name (for example, Unibody Bus Builders (Pty) Ltd) Ltd).</p> <p><b>Local Goods, Services and Works</b></p> <p><b>E6. Description of items purchased</b> Provide a description of the items purchased locally in the space provided.</p> <p><b>E7. Local supplier</b> Provide the name of the local supplier that corresponds to the item listed in column E6.</p> <p><b>E8. Value</b> Provide the total value of the item purchased in column E6.</p> <p><b>E9. Total local products (Goods, Services and Works)</b> Total local products (goods, services and works) is the sum of the values in E8.</p> <p><b>E10. Manpower costs:</b> Provide the total of all the labour costs accruing only to the tenderer (i.e. not the suppliers to tenderer).</p> <p><b>E11. Factory overheads:</b> Provide the total of all the factory overheads including rental, depreciation and amortisation for local and imported capital goods, utility costs and consumables. (Consumables are goods used by individuals and businesses that must be replaced regularly because they wear out or are used up. Consumables can also be defined as the components of an end product that are used up or permanently altered in the process of manufacturing, such as basic chemicals.)</p> <p><b>E12. Administration overheads and mark-up:</b> Provide the total of all the administration overheads, including marketing, insurance, financing, interest and mark-up costs.</p> <p><b>E13. Total local content:</b> The total local content is the sum of the values of E9, E10, E11 and E12. This total must correspond with C24 of Annexure C.</p>
--	--

## Annex C

### Local Content Declaration - Summary Schedule

(C1) **Tender No.**  
 (C2) **Tender description:**  
 (C3) **Designated product(s)**  
 (C4) **Tender Authority:**  
 (C5) **Tendering Entity name:**  
 (C6) **Tender Exchange Rate:**  
 (C7) **Specified local content %**

**Note:** VAT to be excluded from all

Pula  EU  GBP

#### Calculation of local content

#### Tender summary

Tender item no's	List of items	Tender price - each (excl VAT)	Exempted imported value	Tender value- net of exempted imported content	Imported value	Local value	Local content % (per item)	Tender Qty	Total tender value	Total exempted imported content	Total Imported content
(C8)	(C9)	(C10)	(C11)	(C12)	(C13)	(C14)	(C15)	(C16)	(C17)	(C18)	(C19)

<b>Signature of tenderer from Annex B</b>	(C20) Total tender value
	(C21) Total Exempt imported content
	(C22) Total Tender value net of exempt imported content
	(C23) Total Imported content
	(C24) Total local content
Date: _____	(C25) Average local content % of tender

**Annex D**

**Imported Content Declaration - Supporting Schedule to Annex C**

(D1) Tender No.		Note: VAT to be excluded from all calculations
(D2) Tender description:		
(D3) Designated Products:		
(D4) Tender Authority:		
(D5) Tendering Entity name:		
(D6) Tender Exchange Rate:	Pula <input type="text"/> EU <input type="text"/> GBP <input type="text"/>	

**A. Exempted imported content**

**Calculation of imported content**

**Summary**

Tender item no's	Description of imported content	Local supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Exchange Rate	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Tender Qty	Exempted imported value
(D7)	(D8)	(D9)	(D10)	(D11)	(D12)	(D13)	(D14)	(D15)	(D16)	(D17)	(D18)
(D19) Total exempt imported value										This total must correspond with Annex C - C 21	

**B. Imported directly by the Tenderer**

**Calculation of imported content**

**Summary**

Tender item no's	Description of imported content	Unit of measure	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Rate of Exchange	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Tender Qty	Total imported value
(D20)	(D21)	(D22)	(D23)	(D24)	(D25)	(D26)	(D27)	(D28)	(D29)	(D30)	(D31)
(D32) Total imported value by tenderer											

**C. Imported by a 3rd party and supplied to the Tenderer**

**Calculation of imported content**

**Summary**

Description of imported content	Unit of measure	Local supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Rate of Exchange	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Quantity imported	Total imported value
(D33)	(D34)	(D35)	(D36)	(D37)	(D38)	(D39)	(D40)	(D41)	(D42)	(D43)	(D44)
(D45) Total imported value by 3rd party											

**D. Other foreign currency payments**

**Calculation of foreign currency payments**

**Summary of payments**

Type of payment	Local supplier making the	Overseas beneficiary	Foreign currency value paid	Tender Rate of Exchange	Local value of payments
(D46)	(D47)	(D48)	(D49)	(D50)	(D51)

(D52) Total of foreign currency payments declared by tenderer and/or 3rd party

Signature of tenderer from Annex B

(D53) Total of imported content & foreign currency payments - (D32), (D45) & (D52) above

Date:

This total must correspond with Annex C - C 23

## Annex E

## Local Content Declaration - Supporting Schedule to Annex C

(E1)	Tender No.		<b>Note: VAT to be excluded from all calculations</b>
(E2)	Tender description:		
(E3)	Designated products:		
(E4)	Tender Authority:		
(E5)	Tendering Entity name:		

Local Products (Goods, Services and Works)	Description of items purchased	Local suppliers	Value
	(E6)	(E7)	(E8)
	<b>(E9) Total local products (Goods, Services and Works)</b>		R 0.00

(E10)	<b>Manpower costs</b> (Tenderer's manpower cost)	R 0.00
(E11)	<b>Factory overheads</b> (Rental, depreciation & amortisation, utility costs, consumables etc.)	R 0.00
(E12)	<b>Administration overheads and mark-up</b> (Marketing, insurance, financing, interest etc.)	R 0.00
	<b>(E13) Total local content</b>	R 0.00

**This total must correspond with Annex C - C24**

Signature of tenderer from Annex B

Date:

## 2.1: RETURNABLE MBD DOCUMENTS

### 2.1.1 MBD 1

#### INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE PHOKWANE LOCAL MUNICIPALITY.</b>					
BID NUMBER:	PLM/TTEL/0520-2024	CLOSING DATE:	18 JUNE 2024	CLOSING TIME:	12H00 PM
DESCRIPTI ON	<b>Supply, delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.</b>				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7.1)</b>					

<b>The tender should be clearly marked: PLM/TTEL/0520 - 2024</b>					
<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					
TAX COMPLIANCE STATUS	TCS PIN:		<b>AN D</b>	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes  <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<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>					

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL PRICE	BID R
SIGNATURE OF BIDDER	.....	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>		<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>	
DEPARTMENT	FINANCIAL SERVICES		CORPORATE SERVICES (IT)
CONTACT PERSON	MARINDA VILJOEN	CONTACT PERSON	CHRISTOPHER TSWAILE
TELEPHONE NUMBER	053 474 9700	TELEPHONE NUMBER	053 474 9700
E-MAIL ADDRESS	marinda@phokwane.gov.za	E-MAIL ADDRESS	christopher@phokwane.gov.za

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED– (NOT TO BE RE-TYPED) OR ONLINE</b>
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
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 VIEW THE TAXPAYER’S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE <a href="http://WWW.SARS.GOV.ZA">WWW.SARS.GOV.ZA</a> .
2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.

- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

**3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  
 YES  NO
- 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?  
 YES  NO
- 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  
 YES  NO
- 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  
 YES  NO
- 3.5. 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 ABOVE.**

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

**NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

DATE: .....

### 2.1.2 MBD 2

It is condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Services (SARS) to meet the bidder's tax obligations.

1. In order to meet this requirement bidders are required to complete the full form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
2. SARS will furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
3. The Tax Clearance Certificate PIN number must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
4. In bids where Consortia / Joint Ventures / Sub-contractors are involved; each party must submit a separate Tax Clearance Certificate.
5. Copies of the TCC001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za) or at our SCM office.
6. Applications for the Tax Clearance Certificates may also be made via e-Filing. In order to use this provision, taxpayers will need to register with SARS as e-Filers through the website [www.sars.gov.za](http://www.sars.gov.za).

2.1.3 MBD 3.1

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

**NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

NAME OF BIDDER		BID NUMBER	
CLOSING TIME		CLOSING DATE	

OFFER TO BE VALID FOR ..... DAYS FROM THE CLOSING DATE OF BID.

Item no.	Quantity	Description	Bid price in RSA Currency ** (ALL APPLICABLE TAXES INCLUDED)	
			Unit tariff	Total Cost

- Required by: .....
- At: .....
- Brand and Model .....
- Country of Origin .....
- Does the offer comply with the specification(s)?\*YES/NO
- If not to specification, indicate deviation(s) .....
- Period required for delivery .....

\*Delivery:  
Firm/Not  
firm

- Delivery basis .....

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

\*\* “all applicable taxes” includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

\*Delete if not applicable

2.1.4 MBD 4

DECLARATION OF INTEREST

1.	No bid will be accepted from persons in the service of the state.	
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 favoritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in the 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.	<b>In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.</b>	
3.1	Full Name of bidder or his / her representative: .....	
3.2	Identity Number: .....	
3.3	Position occupied in the Company (director, trustee, shareholder <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 (where applicable) 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: ..... ..... ..... ..... .....	
<p><sup>1</sup> MSCM Regulations: “in the service of the state” means to be –</p> <p>(a) a member of –</p> <p style="padding-left: 20px;">(i) any municipal council;</p>		

- (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 or 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 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 exercise 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 the 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 the 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: ..... ..... ..... ..... .....	

<b>4. Full details of directors / trustees / members / shareholders</b>		
<b>Full Name</b>	<b>Identity Number</b>	<b>State Employee Number</b>

--	--	--

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

.....  
**Name of the bidder**

## 2.1.5 MBD 6.1

### PREFERENCE POINT CLAIM FORM

#### PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

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

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:

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
<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:

80/20	or	90/10
$P_s = 80 - \frac{P_t - P_{min}}{P_{min}}$	or	$P_s = 90 - \frac{P_t - P_{min}}{P_{min}}$

Where

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

$P_t$  = Price of bid under consideration

$P_{min}$  = 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:

The full conversion of B-BBEE level to PPPFA points are as follows:

### STEP 1 – Locality of supplier in South Africa

Locality of supplier	Number of Points for Locality (80/20)	Number of Points for Locality (90/10)
Within the boundaries of South Africa	20	10

*Where the supplier is not situated within the boundaries of South Africa zero points will be allocated and the following steps 2-3 will not apply.*

### Step 2- BBBEE

If the bidder is situated in South Africa, the points allocated will be further subdivided as follows:

50% of the 20/10 points will be allocated further in terms of the BBBEE scorecard as follows.

B-BBEE Status Level of Contributor	Number of Points for Preference {80/20}	Number of Points for Preference {90/10}
1	10	5
2	9	4.5
3	8	4
4	5	2.5
5	4	2
6	3	1.5
7	2	1
8	1	0.5
Non-compliant contributor	0	0

A tenderer must submit proof of its BBBEE status level contributor [scorecard].

A tenderer failing to submit proof of BBBEE status level of contributor may only score in terms of the 80/90-point formula for price; and scores 0 points for BBBEE status level of contributor.

### Step 3- Locality in the Municipal area and Province

The remainder 50% of the 20/10 points will be allocated to promote locality within the municipal area and the province where the municipality is located.

Points will be allocated as follows.

Locality of supplier	Number of Points for Locality (80/20)	Number of Points for Locality (90/10)
Within the boundaries of the Northern Cape	4	2
Within the boundaries of Phokwane Municipality	6	3

The bidder shall submit proof of Locality within the province or municipal area via a municipal account for the bidding entity.

## 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

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.

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		NO	
-----	--	----	--

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		NO	
-----	--	----	--

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

<b>Designated Group: An EME or QSE which is at last 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 MUNICIPAL INFORMATION

**Municipality where business is situated:** .....

**Registered Account Number:** .....

**Stand Number:** .....

8.8 Total number of years the company/firm has been in business: .....

8.9 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 certificates, 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.

<p>WITNESSES</p> <p>a. ....</p> <p>b. ....</p>	<p>.....</p> <p>SIGNATURE(S) OF BIDDER(S)</p>
	<p>DATE: .....</p> <p>ADDRESS: .....</p> <p>.....</p>

PL ..... of

## 2.1.6 MBD 6.2

### DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

#### 1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - \frac{x}{y} x / y] * 100$$

Where

- x is the imported content in Rand  
y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

**The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.**

- 1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation.

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.

**2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

**3. Does any portion of the services, works or goods offered have any imported content?**

*(Tick applicable box)*

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

3.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za)

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

<b>Currency</b>	<b>Rates of exchange</b>
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the Accounting Officer / Accounting Authority provide directives in this regard.

**LOCAL CONTENT DECLARATION**  
**(REFER TO ANNEX B OF SATS 1286:2011)**

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID NO. ....**

**ISSUED BY: PHOKWANE LOCAL MUNICIPALITY**

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/ip.jsp). Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, ..... (full names), do hereby declare, in my capacity as ..... of .....(name of bidder entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that
  - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011;
- (c) The local content percentages (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C;

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.**

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

### 2.1.7 MBD 7.1

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.

**CONTRACT FORM - PURCHASE OF GOODS/WORKS**

**THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.**

**PART 1 (TO BE FILLED IN BY THE BIDDER)**

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
  
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Technical Specification(s);
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
  
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
  
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
  
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
  
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

<b>WITNESSES</b>	
1	.....
	a) .....
	.....

**CONTRACT FORM - PURCHASE OF GOODS/WORKS**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity as..... accept your bid under reference number .....dated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorized to sign this contract.

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

- i) .....
- ....
- ii) .....

## 2.1.8 MBD 8

### 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:		

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.

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"/>
4.5.1	If so, furnish particulars:		

**CERTIFICATION MBD 8**

**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**

## 2.1.9 MBD 9

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. takes 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**

**MBD 9**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

**PLM/TTEL/0520- SUPPLY, DELIVERY AND MAINTENANCE OF VOICE OVER  
INTERNET PROTOCOL TELEPHONE RENTAL FOR A PERIOD OF 36 MONTHS**

(Bid Number and Description)

In response to the invitation for the bid made by:

**PHOKWANE LOCAL MUNICIPALITY**

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)**

2. I have read and I understand the contents of this Certificate;
3. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
4. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
5. 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;
6. 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

PLM: Supply, Delivery and maintenance of voice over internet protocol telephone rental for a period of 36 months.

7. 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.
  
8. 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.
  
9. 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.
  
10. 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.
  
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.

<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.**

.....  
 Signature Date

.....  
 Position Name of Bidder

**2.2: RETURNABLE SCHEDULES**  
**2.2.1 PROOF OF CSD REGISTRATION**

Attach document to this page

Name of Tender: .....Date:.....

Signature: .....Position: .....

Full Name of signatory: .....

**2.2.2 TAX CLEARANCE CERTIFICATE OR TAX COMPLIANCE STATUS PIN**

Attach document to this page

Name of Tender: .....	Date:.....
Signature: .....	Position: .....
Full Name of signatory: .....	

**2.2.3 PROOF OF CURRENT MUNICIPAL RATES, TAXES AND CHARGES**

Attach document to this page

Name of Tender: .....Date:.....

Signature: .....Position: .....

Full Name of signatory: .....

**2.2.4 CERTIFIED COPIES OF IDENTITY DOCUMENTS OF MEMBERS/  
SHAREHOLDERS / DIRECTORS OF THE COMPANY (ORIGINAL  
STAMP NOT OLDER THAN 3 MONTHS)**

Attach document to this page

Name of Tender: .....Date:.....

Signature: .....Position: .....

Full Name of signatory: .....

**2.2.5 VALID CIPC DOCUMENTS / COPIES OF COMPANY REGISTRATION DOCUMENTS**

Attach document to this page

Name of Tender: .....	Date:.....
Signature: .....	Position: .....
Full Name of signatory: .....	

**2.2.6 BBEE CERTIFICATE – ONLY THE FOLLOWING ORIGINAL BBEE CERTIFICATES AND / OR CERTIFIED COPY OF BBEE CERTIFICATES WILL BE ACCEPTED AND MUST BE ATTACHED. IRBA, SANAS OR SWORN AFFIDAVIT. (NO POINTS WILL BE CLAIMED WITHOUT BBEE CERTIFICATE).**

Attach document to this page

Name of Tender: .....Date:.....

Signature: .....Position: .....

Full Name of signatory: .....

**2.2.7: PROJECT TEAM**

**CV'S AND QUALIFICATIONS OF THE PROJECT TEAM (IF APPLICABLE)**

Attach document to this page

Name of Tender: .....Date:.....

Signature: .....Position: .....

Full Name of signatory: .....

**2.2.8: PROJECT EXPERIENCE** *(If applicable)*  
**LIST OF SIMILAR PROJECTS COMPLETED WITH REFERENCE NUMBERS**

Attach document to this page

Name of Tender: .....Date:.....

Signature: .....Position: .....

Full Name of signatory: .....