

**PART A  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE COMMUNITY SCHEMES OMBUD SERVICE</b>					
BID NUMBER:	RFQ028-2022	CLOSING DATE: 05 OCTOBER 2022		CLOSING TIME:	16h00
DESCRIPTION	THE APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF COMPLIANCE, FRAUD AND RISK MANAGEMENT TRAINING.				
<b>BID RESPONSE DOCUMENTS MAY BE EMAILED TO THE BELOW (EMAIL ADDRESS)</b>					
<a href="mailto:quotations@csos.org.za">quotations@csos.org.za</a>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	Jabulile Sithole	CONTACT PERSON	Nompumelelo Ngcangi		
TELEPHONE NUMBER	(010) 593 0533/ 066 302 5937	TELEPHONE NUMBER	(010) 593 0533/ 066 302 5428		
FACSIMILE NUMBER		FACSIMILE NUMBER			
E-MAIL ADDRESS	<a href="mailto:quotations@csos.org.za">quotations@csos.org.za</a>	E-MAIL ADDRESS	<a href="mailto:Nompumelelo.Ngcangi@csos.org.za">Nompumelelo.Ngcangi@csos.org.za</a>		
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		TICK APPLICABLE BOX]  <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>					

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]
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**QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES

☐ NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? ☐ YES ☐ NO

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

**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 IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<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 VERIFY THE TAXPAYER’S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE.”

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

SIGNATURE OF BIDDER: .....

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

DATE: .....



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**REQUEST FOR QUOTATIONS (RFQ)**

**APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF  
COMPLIANCE, FRAUD AND RISK MANAGEMENT TRAINING.**

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**OCTOBER 2022**

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## **1. TERMS AND CONDITIONS**

**This Request for Quotation (RFQ) has been compiled by the CSOS and is made available to Bidders subject to the following terms and conditions, which Bidders are deemed to acknowledge and accept:**

- 1.1. A Bid submitted in response to this RFP will constitute a binding offer which will remain binding and irrevocable for a period of ninety (90) days from the date of submission to the CSOS.
- 1.2. Unless or until a binding contract is concluded between the CSOS and the successful Bidder, the offer constituted by the Bid will be deemed not to have been accepted and no agreement will be deemed to be reached with any Bidder.
- 1.3. The CSOS reserves the right to amend, modify, withdraw, or terminate this RFP or any of the requirements set out herein at any time (and from time to time), without prior notice and without liability to compensate or reimburse any Bidder or person.
- 1.4. Should this RFP be amended, the CSOS undertakes to publicize or send each Bidder in writing the amended RFP. No oral amendments by the Bidder or the CSOS shall be considered.
- 1.5. It is compulsory for a Bidder submitting a bid to be registered on the National Treasury's Central Supplier Database ("the CSD") and ensure that it remains registered for the duration of the services and/or contract, if successful.
- 1.6. The Bidder needs to ensure that it is tax compliant at the time of submitting its Bid and remains tax compliant for the duration of the contract and/or services, if successful, and undertakes to provide supporting documentation issued by the South African Revenue Services ("SARS") confirming it is tax compliant upon request by the CSOS.
- 1.7. The CSOS reserves the right to conduct site inspections or call for supporting documentation in order to confirm any information provided by a Bidder in its response to this Bid.

- 1.8. This RFP is not intended to form the basis of a decision to enter into any transaction with the CSOS and does not constitute an offer or recommendation to enter into such transaction, or an intention to enter into any legal relationship with any person.
- 1.9. Neither the CSOS or any of its respective directors, officers, employees, agents, representatives, or advisors will assume any responsibility for any costs or expenses incurred by any party in or associated with preparing or submitting a Bid in response to this RFP.
- 1.10. No entity may be involved, whether directly or indirectly, in more than one Bid in response to this RFP. Failure to comply with this requirement may, within the sole discretion of the CSOS, result in disqualification of the relevant entity.
- 1.11. Any material changes in the control and/or composition of any Bidder or any core member of a Bidder after submission of a Bid, shall be brought to the attention of the CSOS Supply Chain Management ("SCM") Section in writing. The CSOS shall be the sole arbiter as to what constitutes a material change in the control and/or composition of any Bidder and may in its sole discretion disqualify the Bidder from any further participation in the bid process.
- 1.12. Any requirement set out in this RFP which stipulates the form and/or content of any aspect of a Bid, is stipulated for the sole benefit of the CSOS, and unless the contrary is expressed, may be waived by the CSOS in its sole discretion at any stage in the bid process.
- 1.13. The CSOS and its advisors shall rely on a Bid as being accurate and complete in relation to the information and proposals provided therein by the Bidders.
- 1.14. All Bids submitted to CSOS shall become the property of the CSOS and will not be returned to the Bidders. The CSOS will make all reasonable efforts to maintain information contained in proposals in confidence.
- 1.15. A Bid submitted by the Bidder shall be considered irregular if it shows any omissions, or irregularities of any kind. However, the CSOS reserves the right to waive any irregularities and to make an award in the best interest of the organization.

- 1.16. The CSOS reserves the right to accept or reject in part or whole any Bid submitted, and to waive any technicalities if this is in the best interest of the organization.
- 1.17. The CSOS reserves the right to require a Bidder to provide a formal presentation of its RFP at a date and time to be determined by the CSOS. The CSOS shall provide adequate instructions and clarification regarding the purpose and scope of the presentation. All expenses shall be borne by the Bidder.
- 1.18. In this RFP, the words “service provider”, “supplier” will be used interchangeably to refer to the Bidder.
- 1.19. All costs associated with the preparation and submission of the Bid remain the responsibility of the Bidder. The costs shall not be chargeable to the CSOS by the successful or unsuccessful Bidder.
- 1.20. All Bids must be formulated and submitted in accordance with the requirements of this RFP.
- 1.21. Bids received after the closing date and time as specified in this RFP shall be rejected.
- 1.22. All the produced documents are the property of CSOS.
- 1.23. The CSOS is not obliged to appoint a bidder with the lowest price if based on its sole discretion and assessment, the said bidder does not exhibit or demonstrate adequate capacity or full comprehension of the scope of work to be undertaken. In this regard, CSOS may appoint the second ranked bidder provided that the reasons for such deviation are properly justified.

## **2. INTRODUCTION**

- 2.1. The Community Schemes Ombud Service (CSOS) is established in terms of the Community Scheme Ombud Service Act, 2011 [Act 9 of 2011) to regulate the conduct of parties within community schemes and to ensure their good governance. CSOS reports to the Minister of Human Settlement and is accountable to Parliament.
- 2.2. In order for CSOS to deliver on its mandate, key amongst other priorities of the organization is:
  - 2.2.1. To regulate all community schemes in South Africa and part of our regulatory function entails the provision of dispute resolution services.
  - 2.2.2. To promote good governance of community schemes by developing and implementing appropriate guidelines to enhance stability and harmonious relations amongst the parties
  - 2.2.3. To roll-out massive educational campaigns to educate and train stakeholders within community schemes and the public at large.
  - 2.2.4. To enhance community schemes tenure as alternative tenure option.
  - 2.2.5. To develop and implement appropriate organisational systems, controls, and measures to enhance financial, economic, and organisational efficiency.

## **3. PROJECT PURPOSE / OBJECTIVES**

- 3.1 The objective of this training is for professionals who work in corporate governance, compliance management, or a related field, and intend to apply compliance principles to their own organizations. It would also benefit those looking to enhance their existing knowledge and skills to move into a strategic role within their compliance team. This training should enable existing compliance professionals to validate, refine, and develop their current skill set. There are three components to be covered for this training namely compliance, fraud and risk management.
- 3.2 The training should assist officials in understanding the fundamentals of fraud risk management and how to identify and handle any key challenges in the organization. This training should cover how to apply fraud language, build a



meaningful risk framework, analyze different risk strategies, and adopt the best fraud risk mitigation approach for the CSOS.

## **4. SCOPE OF WORK**

4.1. CSOS hereby requests experienced and reputable bidders to submit quotations for the compliance, fraud, and risk management training services.

This skills program should include progressive knowledge and skills that are specifically related to compliance, fraud and risk management as a core function of business compliance management, full awareness of fraud and corruption malpractice in support of developing fraud risk management strategies and business risk management.

Learning outcomes should include:

### **Compliance Management:**

- Effective corporate governance
- Structuring a compliant organisation
- Creating the right culture for compliance
- Compliance risk as an element of the risk universe
- Compliance risk management planning
- Control design
- Monitoring and reporting
- The future of compliance

### **Fraud:**

- Understand the extent of fraud, the elements of fraud, the legal aspects of it, the role of management in the prevention and detection of fraud and of the various financial fraud schemes that can be perpetrated.
- Understanding the basic legal concepts pertaining to fraud and law of evidence.
- Helping management develop a programme to discharge the onerous responsibilities that are required to prevent fraud and corruption.
- Understanding certain investigative techniques.

## **Risk Management:**

- The concept of risk
- Risk management frameworks
- Corporate governance and enterprise risk management
- Decisions and uncertainty: Quantitative
- Decisions and uncertainty: Qualitative
- Risk identification
- Risk assessment
- Risk response
- Organisational culture and ethical concerns
- Risk reporting.

## **4.2 KEY DELIVERABLES FOR THE SUPPLIER**

- In consultation with the project team, create a programme for each day .
- Facilitator should ensure that the training provided is accredited.
- Create an interactive presentation according to the modules of the training manual, incorporating own examples, group and individual activities
- Liaise with project team regarding the intended structure and content of presentation
- Share their presentation with the project team a week before the training workshop
- Deliver the presentation and facilitate training session, covering all modules of the training manual
- The facilitator must have a minimum of five years of proven training and facilitation experience.
- The facilitator should have extensive understanding of compliance, fraud and risk management.

## **5. DURATION OF TRAINING AND LOCATION**

- 5.1 The anticipated dates for the training with the service provider will be during the month of October 2022.

- 5.2 The prospective service provider is requested to present a training course virtually to 3 CSOS officials. Learners are to be awarded with a certificate of competence after completion of the course.
- 5.3 **The training should be accredited training, delivered over a period of 8 weeks. The training should be scheduled daily from 08:30 to 13:00 for a period of 8 weeks.**

## **6. PROJECT EVALUATION CRITERIA**

### **6.1 SUPPLY CHAIN MANAGEMENT COMPLIANCE REQUIREMENTS**

- 6.2 Bidders must comply with the following compliance requirements before evaluation in mandatory requirements.

<b>Documents</b>	<b>Comply /Not Comply</b>
Valid B-BBEE certificate issued by an accredited SANAS verification agency/Sworn Affidavit signed by the EME representative and attested by a Commissioner of Oath/B-BBEE certificate issued by the Companies and Intellectual Property Commission (CIPC).	
Proof of registration on the National Treasury Central Supplier Database (provide CSD summary report)	
Valid tax PIN/letter/number from SARS	
Fully completed SBD documents (SBD 1, SBD 3.3, SBD 4, SBD 6.1)	

### **6.3 MANDATORY REQUIREMENTS**

- 6.3.1 Bidders who fail to comply with the below mandatory requirements will be disqualified and will not be further evaluated on price and preference points.

Documents	Comply /Not Comply
Valid Proof of Accreditation Certificate by IRMSA (Institute of Risk Management South Africa)	

6.3.2 Prospective bidders will be required to conduct the training virtually and issue a certificate of attendance at the end of the training.

## 7. PRICING SCHEDULE

7.1 In order to facilitate a transparent selection process that allows equal opportunity to all bidders, CSOS has a Supply Chain Management policy that will be adhered to. Proposals will be evaluated in terms of the prevailing Supply Chain Management policy applicable to CSOS and it should be noted that proposals will be assessed using the 80/20 formula (preference points system) for Price and B-BBEE as per the PPPFA Regulations.

CRITERIA	SUB-CRITERIA	WEIGHTING/POINTS
Price	Detailed budget breakdown	80
B-BEE (Status Level Verification Certificate)	B-BEE Level Contributor	20
Total		100

7.2 Service providers/Firms are required to submit a breakdown of their pricing. Pricing should be inclusive of overheads and VAT if applicable

Course Content	Quantity	Price
Presentation of 8 weeks programme.		
Course material	3	
Certification of completion.	3	

Others		
<b>TOTAL (VAT Inclusive)</b>		

**NB: Pricing schedule must be on Bidders company letterhead**

## **8. CONTACT DETAILS FOR INFORMATION**

- a. Further information regarding technical matters can be sent via email to Nompumelelo Ngcangi: [Nompumelelo.ngcangi@csos.org.za](mailto:Nompumelelo.ngcangi@csos.org.za) or Tel at: 010 593 0533/ 066 302 5428.
- b. Further information regarding supply chain management matters can be send via email to Jabulile Sithole: [jabulile.sithole@csos.org.za](mailto:jabulile.sithole@csos.org.za) or at Tel: 010 593 0533/ 066 302 5937.

**PRICING SCHEDULE**  
(Professional Services)

NAME OF BIDDER: ..... **BID NO:**

**RFQ028-2022: THE APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF COMPLIANCE, FRAUD AND RISK MANAGEMENT TRAINING.**

**CLOSING TIME 16h00 ON 05 OCTOBER 2022.**

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO TAX	DESCRIPTION	BID PRICE IN RSA CURRENCY INCLUSIVE OF <u>VALUE ADDED</u>
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**DESCRIPTION: THE APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF COMPLIANCE, FRAUD AND RISK MANAGEMENT TRAINING.**

1. Services must be quoted in accordance with the attached terms of reference.

Services must be quoted in accordance with the attached terms of reference.

Total cost of the assignment (R inclusive VAT)

R.....

Course Content	Quantity	Price
Presentation of 8 weeks programme.		
Course material	<b>3</b>	
Certification of completion.	<b>3</b>	
Others		
<b>TOTAL (VAT Inclusive)</b>		

The financial proposal for this assignment should cover for all assignment activities as per terms of reference

2. Period required for commencement with project after acceptance of bid \_\_\_\_\_

- 3 Are the rates quoted firm for the full period? Yes/No

4. If not firm for the full period, provide details of the basis on which Adjustments will be applied for, for example consumer price index.

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**Technical enquiries regarding bidding procedures may be directed to:**

Nompumelelo Ngcangi

Tel: (010) 593 0533

Cell: **066 302 5428**

E-mail address: [nompumelelo.ngcangi@csos.org.za](mailto:nompumelelo.ngcangi@csos.org.za)

**Supply Chain queries may be directed to:**

Jabulile Sithole

Cell: 066 302 5937

Email: [quotations@csos.org.za](mailto:quotations@csos.org.za)

**PLEASE REFER TO THE ATTACHED TERMS OF REFERENCE FOR MORE INFORMATION.**

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

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

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

### 2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship

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



with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....  
 .....

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

2.3.1 If so, furnish particulars:

.....  
 .....

### **3 DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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<sup>2</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.

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....	.....
Signature	Date
.....	.....
Position	Name of bidder

## 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

1.2

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the .....80/20..... preference point system shall be applicable;

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	
B-BBEE STATUS LEVEL OF CONTRIBUTOR	
Total points for Price and B-BBEE must not exceed	100

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 PREFERENCE POINT SYSTEMS

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

**80/20**

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

Where

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

$P_t$  = Price of bid under consideration

$P_{\min}$  = 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:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14

4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

## 5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

## 6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 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	
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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 Regulations,2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name \_\_\_\_\_ of  
company/firm:.....

8.2 VAT \_\_\_\_\_ registration  
number:.....

8.3 Company \_\_\_\_\_ registration  
number:.....

**8.4 TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....  
.....  
.....  
.....  
.....

**8.6 COMPANY CLASSIFICATION**

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the  
company/firm, certify that the points claimed, based on the B-BBE status level of  
contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies  
the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as  
indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in  
paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary  
proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a  
fraudulent basis or any of the conditions of contract have not been fulfilled, the  
purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;

- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

## WITNESSES

1. ....

2. ....

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

DATE: .....

ADDRESS .....

.....

.....