



Inspired Investing

KZN GROWTH FUND TRUST

REQUEST FOR PROPOSALS (RFP)

RFP REFERENCE NUMBER – KGFT RFP 2023 - 20

**APPOINTMENT OF A SERVICE PROVIDER TO UNDERTAKE RESEARCH TO DETERMINE THE
SOCIO-ECONOMIC IMPACT OF GAMBLING AND LIQUOR INDUSTRIES IN KZN FOR KGFT**

Closing date : **23 November 2023**

Time : **12:00**

Submission format : email scm@kzngf.co.za

Name of the respondent:

Late bids will not be accepted

BID DETAILS

Bid title : Request for Proposals for the appointment of a Service Provider to undertake a Research Study to determine the Socio-economic Impact of Gambling and Liquor in KZN

Procurement Reference Number : KGFT - RFQ 2023 - 20

Description of Goods & Services : Appointment of Service Provider to do Research Study

Date of RFP : **15 November 2023**

Date of RFP CLOSING : **23 November 2023**

CONTACT INFORMATION

Any enquiries regarding the bidding procedure may be directed to:

Procurement Officer: Sijabulile Ntshangase

Telephone: 031 372 3720

E-mail: scm@kzngf.co.za

BIDDER'S DETAILS

NAME OF BIDDER.....

POSTAL ADDRESS

STREET ADDRESS

CONTACT PERSON

TELEPHONE NUMBER Code Number

CELL PHONE NUMBER Code Number

FACSIMILE NUMBER Code Number

E-MAIL ADDRESS

Signature of Bidder **Date**

1. PURPOSE

The KwaZulu-Natal Growth Fund Trust (KGFT) invites proposals from suitably qualified service providers to provide KGFT with a research study.

2. BACKGROUND

KZN Growth Fund Trust (KGFT) is a Trust, established and capitalised by the Provincial Government to provide debt and equity. The main objective of the KGFT is to provide support for creating and enabling environment for activities that create jobs and accelerate the economic development of KZN whilst promoting Broad Based Black Economic Empowerment (B-BBEE).

2.1 Procurement Philosophy

It is the policy of KGFT, when purchasing goods and obtaining services to follow a course of optimum value and efficiency by adopting best purchasing practices in supply chain management, ensuring that open and fair competition has prevailed, with due regard being given to the importance of:

- a) The promotion, development and support of businesses from disadvantaged communities (small, medium, micro enterprises, as well as established businesses within those communities) in terms of its BEE Policy,
- b) The promotion of national and regional local service providers and agents before considering overseas service providers, and
- c) The development, promotion and support for the moral values that underpin the above, in terms of KGFT Business Ethics and Guidelines which requires that all commercial conduct be based on ethical and moral values and sound business practice. This value system governs all commercial behaviour within KGFT.

The KGFT wishes to engage with service providers who are equally committed to maintain high quality services and better pricing.

3. INTRODUCTION AND RATIONALE

The research study is required to enable a high level assessment of socio-economic impact of gambling and liquor industries, to enable the KGFT to understand the likely socio-economic impact of the gambling and liquor industry on the economy and its population, which will inform its ESG and Investment policies.

The study should therefore also provide a brief overview of interest/lack thereof in funding the gambling and liquor industries as well as the sector performance and contribution to economic activity.

4. OBJECTIVES

The primary objectives of the socio-economic impact analysis are as follows:

- 4.1 Briefly assess the economic impact of the gambling and liquor industries on the provincial and national economy.
- 4.2 Examine the social consequences and benefits associated with the presence and operation of these industries.
- 4.3 Evaluate the regulatory environment and its effectiveness.
- 4.4 Provide recommendations for potential investments to gambling and liquor industries and policy decisions for Developmental Funding Institutions (DFIs).
- 4.5 To assess the difference in levels of gambling between different population groups and the geographical coverage of various gambling modes.
- 4.6 To assess the potential growth of various gambling modes in view of its value chains.
- 4.7 To assess the consequences of gambling on employment losses and gains.
- 4.8 To assess the consequences of gambling on the social welfare of individuals and communities.
- 4.9 To understand the propensity of gambling in the province.

5. SCOPE OF WORK

The service provider shall:

- 5.1 Conduct a high-level review of the gambling and liquor industries, including their history, status, and trends.
- 5.2 Assess the direct and indirect economic contributions of these industries, such as employment, revenue generation, and taxation.
- 5.3 Analyse the social impact, including effects on public health, addiction rates, and the community's well-being.
- 5.4 Conduct a comparative analysis with other provinces, and international to determine patterns and trends.
- 5.5 Provide a write-up on environmental impact of the gambling and liquor industry.

- 5.6 Evaluate the regulatory framework governing these industries, including its strengths and weaknesses.
- 5.7 Report on how other Developmental Funding Institutions (DFIs) in South Africa (and internationally) are funding the industry and what is excluded and rationale for those exclusions.
- 5.8 Advise if there is any legal and policy framework from the government that informs such exclusions.
- 5.9 Provide recommendations for KGFT regarding potential funding or policy changes.

6. METHODOLOGY

- 6.1 Describe the research methods, data sources, and data collection techniques to be used.
- 6.2 Specify the criteria for selecting sample populations and regions to be studied.
- 6.3 Explain the analysis techniques, including economic modelling, surveys, interviews, and data analysis tools.

7. DATA COLLECTION

- 7.1 Detail the data sources to be used, which may include government records, industry reports, surveys, and interviews with stakeholders.
- 7.2 Provide a timeline for data collection, ensuring it aligns with the project schedule.

8. DATA ANALYSIS

- 8.1 Explain how data will be analysed to determine the economic and social impacts.
- 8.2 Identify the key performance indicators and metrics to be used.
- 8.3 Include measures to ensure data quality and accuracy.

9. REPORTING

- 9.1 Describe the format and structure of the final report, including any interim reports.
- 9.2 Provide a schedule for progress updates and the final delivery of the report.
- 9.3 Specify any requirements for data visualization and presentation.

10. RECOMMENDATIONS

- 10.1 Based on the findings, the service provider should offer clear and actionable recommendations to KGFT.
- 10.2 These recommendations should include potential investment opportunities or lack thereof, policy adjustments, and areas of concern.

11. ETHICAL CONSIDERATIONS

- 11.1 Ensure that the study adheres to ethical research standards, including data privacy and informed

consent for interviews or surveys.

12. BUDGET AND TIMELINE

- 12.1 Present a detailed budget for the entire project, including itemized costs.
- 12.2 Provide a timeline indicating key milestones and project duration.

13. TEAM AND EXPERTISE

- 13.1 Outline the qualifications and expertise of the team members who will be conducting the study.
- 13.2 Specify the lead researcher and any external experts or consultants to be involved.

14. REPORTING AND COMMUNICATION

- 14.1 Define the reporting structure and channels of communication between KGFT and the service provider.
- 14.2 Specify how issues, questions, and concerns will be addressed during the study.

15. TERMS AND CONDITIONS

- 15.1 Include legal and contractual terms and conditions, such as confidentiality agreements and ownership of research data and findings.

16. EVALUATION AND REVIEW

- 16.1 Describe the process for reviewing the quality and progress of the study.
- 16.2 Specify mechanisms for addressing any deviations from the agreed-upon scope or timeline.

17. PROPOSAL SUBMISSION

- 17.1 Outline the requirements for service providers to submit their proposals, including the deadline and format.

18. EVALUATION CRITERIA

- 18.1 Provide the criteria against which proposals will be evaluated, which may include experience, expertise, methodology, and cost.

19. CONTACT INFORMATION

- 19.1 Provide a point of contact within KGFT for potential service providers to reach out with questions

or clarifications.

20. ANNEXURES

20.1 Include any additional documents or references that may assist potential service providers in preparing their proposals.

21. AWARD OF THE RFP

KGFT is not obliged to accept and award this tender to the lowest bidder or any other bidder.

22. EVALUATION PROCESS AND CRITERIA

Selection will be conducted over three stages as detailed below:

Stage 1 - Compliance with Minimum Requirements

Stage 2 - Functionality

Stage 3 – Price and Specific Goals

22.1 STAGE 1 – COMPLIANCE WITH MANDATORY REQUIREMENTS

All proposals must be completed and accompanied by:

22.1.1 SBD 1, SBD 4 and SBD 6.1

22.1.2 Company Profile

22.1.3 Evidence of registration on the National Treasury Central Supplier Database (or proof of registration);

22.1.4 Tax Compliance Status Pin

22.1.5 CV for the Team Members and Proof of qualifications

All bids duly lodged as specified in this RFQ will be examined to determine compliance with the mandatory requirements and conditions. Failure to provide any mandatory information as requested above will result in the submission being deemed non-responsive.

22.2 FUNCTIONALITY EVALUATION

Scores will be tabulated to 100 points. Respondents must score 70 points and over to be assessed on their financial offer and preference score.

The allocation of points for the evaluation of quality/functionality is set out in Table 1 below:

FUNCTIONAL EVALUATION CRITERIA	Weight
<p>Reference Letters</p> <p>Reference letters must be relevant to the scope of works.</p> <p>a. 4 Letters of Reference relevant to the scope of work – 20 points. b. 3 Letter of Reference relevant to the scope of work – 15 points. c. 2 Letter of Reference relevant to the scope of work – 10 points. d. 1 Letter of Reference relevant to the scope of work – 5 points.</p> <p>Letters must be on company letterhead, signed, and dated. Letters must not be older than 5 years.</p>	20
<p>Previous Experience</p> <p>Bidders must demonstrate experience in having provided work of a similar nature, by means of a portfolio made up of at least 3 (Three) similar projects that have recently been completed or are currently in progress (Annexure A):</p> <p>The portfolio of evidence for each relevant project should detail the following as a minimum:</p> <p>I. Client name or sector/ industry where research was performed; II. Scope of work and deliverables; III. Project Duration;</p> <p>5 (five) points are allocated per similar project listed</p>	15
<p>Proposed Team Organogram</p> <p>Organogram for the Team either showing or demonstrating the team's area of expertise for the Project</p>	5
<p>Project Manager / Accounts Manager and Team members (minimum of two (2) members) - CVs and Qualifications to be attached for Team Leader and Team members.</p> <p>Project Manager / Accounts Manager must have at least five (5) years practical experience in Research</p> <ul style="list-style-type: none"> • 6 years or more = 10 points • 5 years = 5 points • Less than 5 years = 0 points <p>Individual team members (minimum of two) must have at least three (3) years practical experience in Research. CV's must be attached as proof.</p> <ul style="list-style-type: none"> • 4 years or more = 5 points • 3 years = 3 points • Less than 3 years = 0 points 	(20)

FUNCTIONAL EVALUATION CRITERIA	Weight
Project Manager / Accounts Manager and Team members Qualifications Must submit a copy of the qualifications	(15)
Project Manager / Accounts Manager Qualifications <ul style="list-style-type: none"> Master's and above = 5 points Honours degree = 3 points Degree = 2 points Diploma = 1 points No qualification = 0 point 	5
Team Member Qualifications (minimum of two (2)) <ul style="list-style-type: none"> Honours degree = 5 points Degree = 3 points Diploma = 1 points No qualification = 0 point 	10
PROPOSAL, METHODOLOGY AND PROJECT PLAN <ul style="list-style-type: none"> Describe the research methods, data sources, and data collection techniques to be used. Specify the criteria for selecting sample populations and regions to be studied. Explain the analysis techniques, including economic modelling, surveys, interviews, and data analysis tools. Research proposal to include ethical considerations. (15) Provide a timeline indicating key milestones and project duration. (10) 	25
TOTAL	100

Note: Failure to obtain the minimum of 70 out of 100 on functionality will result in disqualification from further evaluation.

22.3 STAGE 2 - PRICE AND SPECIFIC GOALS

22.3.1 Proposals will be subject to an evaluation based on an 80/20 - 80 points for price and 20 points for specific goals.

22.3.2 Fixed price is required; price must be inclusive of VAT and all costs relating to disbursements and accommodation. See **Annexure B**

Evaluation	Maximum points to be awarded
Relative competitiveness of the price	80
Specific Goals (see the below table)	20
Total Price and B-BBEE Points	100

SPECIFIC GOALS TABLE

Preference Points 80/20 - Specific Goals						
Management Control						
		<30%	<51%	<100%	100%	Total Points
BBE		0	0.5	1.25	2.2	3.95
BWO		0	0.5	1	1.5	3
BYO		0	0.5	1	1.5	3
PWD		0.25	0.3	0.5	1	2.05
						12
Skills Development Measured						
		Blacks	Youth	Women	PWD	
		1	1	1	1	
						4
Locality and establishment						
		KZN	SA			
			2.5	1.5		4
Total						20

The following may be used as proof for claiming preference points

- BBBEE Certificate or BBBEE Affidavit
- CSD Report
- ID Documents of the owners of the company
- Municipal Account or Lease Agreement
- Doctors Certificate / disability database from relevant institutions (for more research)

23. THE INFORMATION REQUIRED

You are and required to provide the KGFT with a proposal, by **no later than 12:00pm on 23 November 2023.**

24. SUBMISSION DETAILS

- Submissions must be emailed to scm@kzngf.co.za attention **Sijabulile Ntshangase** by no later than the stipulated time above.
- For queries, you can contact Khwezi Nhassengo scm@kzngf.co.za during business hours of 8:00am to 4:30pm, Monday to Friday on 031 372 3720.

Approved by



Khwezi Nhassengo
Chief Investment Officer

ANNEXURE A - COMPANY EXPERIENCE EXAMPLE

Client Name/Sector of research	Scope of Work and deliverables	Date concluded (not more than 5 years ago)	Duration of Project

NAME OF BIDDER: _____

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

Number	Description	Total Price
1.	Research Study	
	Other Costs	
Sub-total		
VAT@ 15%		
Grand Total		

Tenderers signature.....

COMPANY STAMP

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)			
BID NUMBER:	RFQ 2023 – 20	CLOSING DATE:	23 November 2023
DESCRIPTION Appointment of a Service Provider to undertake a Research to determine the Socio-economic Impact of Gambling and Liquor in KZN			
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)			
Via email to scm@kzngf.co.za			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		TECHNICAL ENQUIRIES MAY BE DIRECTED TO:	
CONTACT PERSON	Sijabulile Ntshangase	CONTACT PERSON	Xolani Nhlapo
TELEPHONE NUMBER		TELEPHONE NUMBER	
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS	scm@kzngf.co.za	E-MAIL ADDRESS	scm@kzngf.co.za
SUPPLIER INFORMATION			
NAME OF BIDDER			
POSTAL ADDRESS			
STREET ADDRESS			
TELEPHONE NUMBER	CODE	NUMBER	
CELLPHONE NUMBER			
FACSIMILE NUMBER	CODE	NUMBER	
E-MAIL ADDRESS			
VAT REGISTRATION NUMBER			
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:	OR	CENTRAL SUPPLIER DATABASE No: MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT <input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]			
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSURE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS			
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?		<input type="checkbox"/> YES <input type="checkbox"/> 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

1. BID SUBMISSION:

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

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN 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:

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 interest¹ in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

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

2.2.1 If so, furnish particulars:

.....

.....

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

2.3.1 If so, furnish particulars:

.....

.....

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

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF

PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND
COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS
DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

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

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

1. GENERAL CONDITIONS

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

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

1.2 **To be completed by the organ of state**
(delete whichever is not applicable for this tender).

a) The applicable preference point system for this tender is the ~~90/10~~ preference point system.

b) The applicable preference point system for this tender is the 80/20 preference point system.

c) ~~Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/highest acceptable tender will be used to determine the accurate system once tenders are received.~~

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

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

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

The maximum points for this tender are allocated as follows:

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

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

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. **POINTS AWARDED FOR PRICE**

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

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

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}}\right) \text{ or } Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

$$P_S = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or} \quad P_S = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
BBE		3,95		
BWO		3,00		
PWD		2,05		
BYO		3,00		
Skill Development		4,00		
Locality		4,00		

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole proprietor
- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

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

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

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

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