



JOE MOROLONG LOCAL MUNICIPALITY

INVITATION TO BID (GENERAL GOODS AND SERVICES - FIRM PRICE)

(In terms of the Supply Chain Management Regulations (Government Gazette 27636 of 30 May 2005))

BID NO: B219-2023.

REQUEST FOR PROPOSALS FOR THE COMPILATION OF GRAP COMPLIANT ANNUAL FINANCIAL STATEMENTS AND FIXED ASSET REGISTER (3 YEARS PERIOD)

Closing Date and Time: Monday, 03 July 2023 at 12h00

NAME OF BIDDER:		Bidder VAT registered? – (Please tick appropriate box)	
JOE MOROLONG LOCAL MUNICIPALITY SUPPLIER REGISTRATION NO:			Yes <input type="checkbox"/>
CENTRAL SUPPLIER DATABASE (CSD) SUPPLIER NO:			No <input type="checkbox"/>
TOTAL BID PRICE (INCL VAT): (Brought forward from Pricing Schedule MBD3)	R		

Please note that it is compulsory for all service providers to complete the above required information

Local Municipality physical address:
D320 Cardington Road, Churchill Village
KURUMAN
8460

Local Municipality contact details:
Telephone no: (053) 773 9300
Fax no: (053) 773 9350

Local Municipality postal address:
Private Bag X117
MOTHIBISTAD
8474

Bid contact details:
Chief Financial Officer: Mrs B.D Motlhaping
(053) 773 9300 / (071) 354 6838 /
registry@joemorolong.gov.za

JOE MOROLONG LOCAL MUNICIPALITY

Bid no	Description
B219-2023.	Request for Proposals for the Compilation of GRAP Compliant Annual Financial Statements and Fixed Asset Register (3 Years Period)

SUMMARY FOR BID OPENING PURPOSES

Name of bidder:	
Address:	
Telephone number:	
Fax number:	
E-mail address:	
Closing date:	Monday, 03 July 2023 at 12h00
Total bid price: (VAT Incl.)	R

(Amount brought forward from the Pricing Schedule **MBD3**) *

Signed by an authorized representative of the Bidder:

Date	Signature

* Should any discrepancy occur between this figure and that stated in the Pricing Schedule (**MBD3**, the latter shall take precedence and apply).

BID GENERAL DATA

Item	Description
Bid no:	B219-2023.
Bid Description:	Request for Proposals for the Compilation of GRAP Compliant Annual Financial Statements and Fixed Asset Register (3 Years Period)
Bid type:	General goods and services - firm price
PPPFA preferential points system:	80/20
CIDB minimum grade required:	N/A
Functionality evaluation bid:	Minimum functionality score of 70.00/100.00 is required
Pre-qualifying criteria bid:	N/A
Local production bid:	N/A
Sub-contracting bid:	N/A
Project manager:	Mrs. BD Motlhaping
Department:	Financial Services
Advert date:	18 June 2023
Bid document fee (VAT Incl.):	R1 345.00 (Free if downloaded from the e-Tender Portal)
Bid document availability date and time:	Monday, 19 June 2023 at 08h00
Advert closing date and time:	Monday, 03 July 2023 at 12h00
Bid validity days:	90
Contact name and details:	Chief Financial Officer: Mrs B.D Motlhaping at (053) 773 9300 / (071) 354 6838 / registry@joemorolong.gov.za
Bid document pickup location:	Cashiers office in the Finance Department
Bid document submission location:	Tender box situated in the foyer of Joe Morolong Local Municipality, D320 Cardington Road, Churchill Village
Bid briefing details:	

FOR MORE INFORMATION PLEASE CONTACT:

Joe Morolong Local Municipality	
Telephone number:	(053) 773 9300
E-mail address:	registry@joemorolong.gov.za

Bid contact details	
Name:	Chief Financial Officer: Mrs B.D Motlhaping
Details:	(053) 773 9300 / (071) 354 6838 / registry@joemorolong.gov.za

Acting Municipal Manager
TJ Gopetse
Joe Morolong Local Municipality
Private Bag X117 MOTHIBISTAD 8474

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SECTION 01: VERY IMPORTANT NOTICE ON EVALUATION

A bid not complying with the peremptory requirements stated hereunder will be regarded as not being an “Acceptable bid”, and as such will be rejected.

“Acceptable bid” means any bid which, in all respects, complies with the conditions of bid and specifications as set out in the bid documents, including conditions as specified in the Preferential Procurement Policy Framework Act (Act 5 of 2000) and related legislation as published in Government Gazette number 47452, dated 04 November 2022, in terms of which provision is made for this policy..

1. If a valid **Tax Clearance Certificate** and **SARS PIN** (or in the case of a joint venture, of all the partners in the joint venture) has not been submitted with the bid document on closing date of the bid.
2. If any pages have been removed from the bid document, and have therefore not been submitted, or a copy of the original bid document has been submitted.
3. Failure to complete the schedule of quantities as required, i.e. only lump sums provided.
4. Scratching out, writing over or painting out rates, without initialling next to the amended rates or information, affecting the evaluation of the bid.
5. The use of correction fluid (i.e. tippex) or any erasable ink, e.g. Pencil.
6. Non-attendance of mandatory/compulsory:
 - Information/Clarification meetings
7. **THE BID HAS NOT BEEN PROPERLY SIGNED BY A PARTY HAVING THE AUTHORITY TO DO SO ACCORDING TO THE EXAMPLE OF “AUTHORITY FOR SIGNATORY”**
8. No authority for signatory submitted – See example, where it is stated that a duly signed and dated original or certified copy of the company's relevant resolution (for each specific bid) of their members or their board of directors, must be submitted (Section 04 or Section 05).
9. The bid has been submitted either in the wrong bid box or after the relevant closing date and time.
10. If any municipal rates and taxes or municipal service charges owed by the bidder or any of its directors to the municipality, or any other municipal entity, are in arrears for more than three months. The bidder has failed to submit paid up letters or proofs from their Municipalities that they do not owe any rates or taxes.
11. The accounting officer must ensure that irrespective of the procurement process followed, no award may be given to a Person -
 - (a) who is in the service of the state, or;
 - (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder, is a person in the service of the state; or;
 - (c) who is an advisor or consultant contracted with the municipality in respect of contract that would cause a conflict of interest.
12. Failure to provide:
 - (a) Written proof of registration with the CIDB, in an appropriate contractor grading designation **N/A or higher**, as required in the bid document.
13. Failure to attach a copy of a valid signed Joint Venture/Consortium agreement (if applicable) to the bid document.
14. If an Accredited Certified Copy or Original **BBBEE Certificate** by SANAS or IRBA accreditation has not been submitted with the bid document on closing date of the bid

N.B – Bids containing any or more of the following errors or omissions will be deemed non responsive:

1. Certified Copy of **Company Registration Certificate** from the Registrar of Companies.
2. Proof of shareholding documents
3. Proof of Banking Details and Bank Grading of C or higher. Certification from Bank to be submitted with Tender.
4. A Valid **Tax Clearance certificate** and **SARS PIN**. In the event of a JV, Tax Clearance and SARS PIN for all parties
5. An Accredited Certified Copy or Original **BBBEE Certificate** by SANAS or IRBA accreditation
6. Recent statement as proof of payment of municipal services (rates and taxes) for both company and all directors of the company. Not older than three months
7. Proof of company addresses or lease agreements whichever applies obtainable from your local municipality, tribal authority or landlord
8. Proof of residence of all Directors as they appear on the company registration certificate obtainable from your local municipality or tribal authority

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

9. Postal address and contact details
10. Contact person for correspondence
11. Attendance of Clarification Meeting
12. Late Submissions after 12h00 on Monday, 03 July 2023
13. Written proof of Registration with the CIDB.
14. Valid JV Agreement if Tenderer is tendering as a Joint Venture.
15. In the case of a Joint Venture Agreement, it must be tender specific.
16. Changes and correction in the tender documents not signed by tenderer.
17. Certified copies of identity documents (ID's) of all directors/members.
18. No copies of the certified copies will be accepted
19. Proof of Company Registration on the Central Database (CSD) must be submitted. (Both JV Partners).

NOTE:

IN THIS DOCUMENT AND OTHER DOCUMENTS REFERRED TO BUT NOT ATTACHED, THE FOLLOWING WORDS ARE SYNONYMOUS WITH EACH OTHER.

- 1.CLIENT, EMPLOYER, JOE MOROLONG LOCAL MUNICIPALITY.
- 2.BID, TENDER AND VARIATIONS THEREOFF
- 3.JOINT VENTURE / CONSORTIUM

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 02 – BID DOCUMENT COMPLIANCE CHECKLIST

Bidders are to use this checklist to ensure that the bid documentation is complete for administrative compliance. The bidder is to indicate that the documentation is complete and included in the bid document by completing the table below.

Tick to indicate that the information is included:

Item	Description	Yes	No	N/A
01	Is the bid document administration fee paid and a copy of the receipt attached to the bid document? (Including bid documents downloaded from the e-Tender Portal website)			
02	Did you initial every page of the bid document?			
03	Did you complete the bid document in black ink?			
04	Did you provide a copy of your company registration document?			
05	Did you provide a copy of the Tax Compliance Status reference PIN issued by SARS in order for the Municipality to verify the tax compliance?			
06	Did you provide certified copies of identity documents (IDs) for all directors / members?			
07	Did you provide an original and valid CIDB registration certificate or a certified copy thereof, if applicable.			
08	Did you provide registration certificate pertaining to the relevant industry e.g. (Electrical Contractors Board), if applicable?			
09	Did you provide a covering letter?			
10	Did you complete and sign the Bid Declaration Form?			
11	Where applicable, is the resolution taken the Board of Directors/Members/Partners completed and signed?			
12	Where applicable, is the resolution taken the Board of Directors of a Consortium or Joint Venture completed and signed?			
13	Is invitation to bid completed and signed? (MBD 1)			
14	Is the Declaration of Interest completed and signed? (MBD 4)			
15	Is the Declaration of Bidder's Past Supply Management Practices completed and signed? (MBD 8)			
16	Is the Certificate of Independent Bid Determination completed and signed? (MBD 9)			
17	Did you complete and sign the Previous Work Experience of a Similar Nature section?			
18	Is the Preference Points Claim Form in Terms of the Preferential Procurement Regulation 2022 completed and signed? (MBD 6.1)			
19	Did you provide an original and valid B-BBEE status level verification certificate or a certified copy thereof or, if you qualify as an EME, did you provide a verification certificate? (MBD 6.1)			
20	Does the product / service offered conform to the Bid Specifications?			
21	Is Pricing Schedule completed? (MBD 3.1)			
22	Where applicable, is the Declaration for Procurement Above R10 million (all applicable taxes included) completed and signed? (MBD 5)			
23	Did you attach the annual financial statements as required in MBD 5? (For Procurements above R10 million)			

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

Item	Description	Yes	No	N/A
24	Are you registered on the Central Supplier Database (CSD) and have you furnished your supplier registration no?			

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 03: BID DECLARATION

1. I/we Mr/Mrs/Messrs _____ duly assigned to represent the bidder for the purpose of this bid, hereby bid to supply the goods and/or render services described in the attached documents to the Joe Morolong Local Municipality on terms and conditions stipulated in this bid and in accordance with the specifications stipulated in the bid documents (which shall be taken as part of, and incorporated into this bid) at the prices reflected in the Pricing Schedule.
2. I/we agree that this offer shall remain valid for a period of **90** days commencing from the closing date and time of this bid.
3. I/We further agree that:
 - 3.1 This bid and its acceptance shall be subject to the terms and conditions contained in the in the Joe Morolong Local Municipality's Supply Chain Management Policy;
 - 3.2 if I/we withdraw my/our bid within the period for which I/we have agreed that the bid shall remain open for acceptance, or fail to fulfil the contract when called upon to do so, the Joe Morolong Local Municipality may, without prejudice to its other rights, agree to the withdrawal of my/our bid or cancel the contract that may have been entered into between me/us and the Joe Morolong Local Municipality and I/we will then pay to the Joe Morolong Local Municipality any additional expense incurred by the Joe Morolong Local Municipality having either to accept any less favourable bid or, if fresh bids have to be invited, the additional expenditure incurred by the invitation of fresh bids and by the subsequent acceptance of any less favourable bid; the Joe Morolong Local Municipality shall also have the right to recover such additional expenditure by set-off against moneys which may be due or become due to me/us under this or any other bid or contract or against any guarantee or deposit that may have been furnished by me/us or on my/our behalf for the due fulfilment of this or any other bid or contract and pending the ascertainment of the amount of such additional expenditure to retain such moneys, guarantee or deposit as security for any loss the Joe Morolong Local Municipality may sustain by reason of my/our default;
 - 3.3 If my/our bid is accepted the acceptance may be communicated to me/us by letter or order by certified mail or registered mail. Such posting shall be deemed to be proper service of such notice with effect from the date of posting/dispatch of such notice;
 - 3.4 The law of the Republic of South Africa shall govern the contract created by the acceptance of my/our bid and that I/we choose *domicilium citandi et executandi* in the Republic of South Africa, where any and all legal notices may be served at (full street address of this place):

Full street address

4. I/we furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our bid; that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk.
5. I/we hereby accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me/us under this agreement as the Principal(s) liable for the due fulfilment of this contract.
6. I/we agree that any action arising from this contract may in all respects be instituted against me/us and I/we hereby undertake to satisfy fully any sentence or judgment which may be pronounced against me/us as a result of such action.

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

7. I/we declare that I/we have participation/no participation* in the submission of any other offer for the supplies/services described in the attached documents. *If in the affirmative, state name(s) of bid(s) involved.

Names of bids involved

Name of Bidder	Signature

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Contractor

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Witness 1

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Witness 2

--

Employer

--

Witness 1

--

Witness 2

SECTION 04: RESOLUTION TAKEN BY THE BOARD OF DIRECTORS / MEMBERS / PARTNERS

RESOLUTION of a meeting of the Board of Directors / Members / Partners of

(Name of Bidder)

Held at _____ On _____
(Place) (Date)

RESOLVED THAT:

1. The enterprise submits a Bid to the Joe Morolong Local Municipality in respect of the following project:

B219-2023. : Request for Proposals for the Compilation of GRAP Compliant Annual Financial Statements and Fixed Asset Register (3 Years Period)

2. Mr/Mrs/Ms _____

In his/her capacity as _____ and who will
sign as follows:

(Specimen Signature)

be, and is hereby, authorised to sign the Bid and/or all other documents and/or correspondence in connection with and relating to the Bid, as well as to sign any contract, and/or all documentation resulting from the award of the bid to the enterprise mentioned above.

Note: The resolution must be signed by all the directors or members/partners of the bidding enterprise. Should the space provided below not be sufficient for all directors to sign, please provide a separate sheet in the same format as below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 05: RESOLUTION TAKEN BY THE BOARD OF DIRECTORS OF A CONSORTIUM OR JOINT VENTURE

RESOLUTION of a meeting of the Board of Directors / Members / Partners of

(Name of Bidder)

Held at _____ On _____
(Place) (Date)

RESOLVED THAT:

1. The enterprise submits a Bid to the Joe Morolong Local Municipality in respect of the following project:

B219-2023. : Request for Proposals for the Compilation of GRAP Compliant Annual Financial Statements and Fixed Asset Register (3 Years Period)

As a Consortium/Joint Venture comprising *(list all the legally correct full names and registration numbers, if applicable, of the Enterprises forming the Consortium/Joint Venture)*

(Enterprise full Name and Registration Number)

(Enterprise full Name and Registration Number)

2. Mr/Mrs/Ms _____

In his/her capacity as _____ and who will
sign as follows:

(Specimen Signature)

be, and is hereby, authorised to sign the Bid and/or all other documents and/or correspondence in connection with and relating to the Bid, as well as to sign any contract, and/or all documentation resulting from the award of the Bid to the **Consortium/Joint Venture** enterprise mentioned above.

3. The enterprise in the form of a consortium or joint venture accept jointly and several liability with parties under item 1 above for the fulfilment of the obligations of the joint venture deriving from, and in any way connected with the contract to be entered into with the Joe Morolong Local Municipality in respect of the project described above under item 1.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

4. The **Consortium/Joint venture** enterprise chooses as its *domicilium citandi et executandi* for all purposes arising from this joint venture agreement and contract with the Joe Morolong Local Municipality in respect of the project under item 1:

Physical address

Note: The resolution must be signed by all the directors or members / partners of the bidding enterprise. Should the space provided below not be sufficient for all directors to sign, please provide a separate sheet in the same format as below.

	Name	Capacity	Signature
1			
2			
3			
4			
5			
6			

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 06: BID ADVERT



JOE MOROLONG LOCAL MUNICIPALITY

INVITATION FOR PROSPECTIVE BIDDERS

Prospective service providers with proven track records are invited to tender as follows:

Bid No.	Bid Description	CIDB Grading	Availability of Documents & Non-Refundable Fee	Briefing / Site Inspection Date Time and Venue	Closing date	Points System	Contact Person for Technical Enquiries
B219-2023.	Request for Proposals for the Compilation of GRAP Compliant Annual Financial Statements and Fixed Asset Register (3 Years Period)	N/A	19 June 2023 from 08h00 for R1 345.00	N/A	03 July 2023 at 12h00	80/20	Chief Financial Officer: Mrs B.D Motlhaping at (053) 773 9300 / (071) 354 6838 / registry@joemorolong.gov.za

Minimum Specifications and other conditions are detailed in the bid documents. Bid documents with detailed bid specifications and detailed information are obtainable at the Cashiers office in the Finance Department (office hours: Monday to Friday 07h30 to 16h15) of the Joe Morolong Local Municipality, D320 Cardington Road, Churchill Village. Alternatively, they can be downloaded for free from the E-tender portal.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

Bids will be adjudicated according to the Joe Morolong Local Municipality's Supply Chain Management Policy, the Preferential Procurement Policy Framework Act (Act 5 of 2000) and the Preferential Procurement Regulations, 2022, as well as the Broad Based Black Economic Empowerment Act (Act 53 of 2003). The evaluation of this bid is based on the Preferential Procurement Point System stipulated in the bid document where a maximum of 80 points are scored for price and a maximum 20 points for achieving the specific BBBEE participation goals. A validity period of **90** calendar days is applicable for this bid. Sealed Bids and supporting documents clearly marked with the above reference and description must be placed in the Tender box situated in the foyer of Joe Morolong Local Municipality, D320 Cardington Road, Churchill Village.

The submission of a valid up to date SARS tax clearance certificate / copy of the Tax Compliance reference pin issued by SARS are compulsory.

In terms of MFMA Circular No 81, issued by National Treasury, it is compulsory as from 1 July 2016 for all prospective service providers to Local Municipalities to be registered on the web based **Central Supplier Database (CSD)**. Bids received from service providers not registered on the **CSD** shall therefore be regarded as non-responsive and will not be further evaluated. Prospective service providers can utilise the following link to register on the **CSD**: www.csd.gov.za.

The Joe Morolong Local Municipality does not bind itself to accept the lowest or any bid and the Local Municipality reserves the right to accept the whole or part of any bid and further reserves the right to re-advertise if it so wishes to.

Please note that late, electronic, couriered, postal or faxed bid documents will not be accepted.

TJ Gopetse

Acting Municipal Manager

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 07: BID NOTICE



JOE MOROLONG LOCAL MUNICIPALITY

TENDER NO: B219-2023.

Joe Morolong Local Municipality hereby invites registered, experienced and suitably qualified service providers to submit bids for Request for Proposals for the Compilation of GRAP Compliant Annual Financial Statements and Fixed Asset Register (3 Years Period).

The bid document with detailed specifications and detailed information are obtainable at the Cashiers office in the Finance Department during office hours (Monday to Friday 07h30 to 16h15) and e-Tender Portal www.etender.gov.za from 08h00 on Monday, 19 June 2023.

Bid briefing details:

N/A

Tender closing:

Monday, 03 July 2023

Time:

12h00

A non- refundable cash deposit fee of R1 345.00 is required on collection of the bid document. Free if bid document is downloaded from the e-Tender Portal

General Conditions of the bid

1. The prices must be valid for at least 90 days after closing date
2. Proof of payment must be attached to the Bid document (including bid documents downloaded from the e-Tender Portal website)
3. Bid prices must be inclusive of VAT
4. A copy of the Tax Compliance Status reference PIN issued by SARS, to enable the municipality to verify the bidder's tax compliance must be supplied
5. A certified copy of a B-BBEE Level Verification Certificate (only SANAS accredited or Sworn Affidavit will be accepted)

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

6. The 80/20 principle will be applied, in terms of the Supply Chain Management Policy of Council when bids are evaluated which is available upon request
7. The bidders are required to complete MBD forms (in case of Joint Venture agreement for both companies needs to complete MBD forms separately)
8. The Joe Morolong Local Municipality does not bind itself to accept the lowest or any bid and the municipality reserves the right to accept the whole or part of any bid. No reasons for the acceptance or rejection of any bid will be given
9. Bids will be adjudicated according to the Joe Morolong Local Municipality's Supply Chain Management Policy, the Preferential Procurement Policy Framework Act (Act of 2005) and the Preferential Procurement Regulations, 2022, as well as the Broad Base Black Economic Empowerment Act (Act 53 of 2003)
10. A copy of the company registration certificate (CK) obtainable from the Companies and Intellectual Property Commission must be attached
11. Proof of Rates and Taxes or lease agreement obtainable from the relevant local authority for each Director/s of the Company as they appear on the Companies and Intellectual Property Commission(CIPC) registration certificate and Central Suppliers Database summary report (CSD)
12. If the business is operated from the residence of a director/s a certified affidavit must be submitted stating the address of the business premises. If the premises from where business is conducted or where a director is residing, is leased a copy of the leased agreement must be submitted
13. Certified copies of identity documents (IDs) of all directors / members must be submitted
14. No Copies of certified copies will be accepted
15. In case of a Joint venture agreement, the agreement must be specific to this bid and not a generic / general agreement
16. Recognisable proof of company addresses or lease agreement whichever applies obtainable from your local municipality, tribal office or landlord
17. Proof of residence of all directors as they appear on the company registration certificate obtainable from your local municipality or tribal authority

The Bid document and supporting documentation must be enclosed in an envelope clearly endorsed with the Bid number and Description (B219-2023. - Request for Proposals for the Compilation of GRAP Compliant Annual Financial Statements and Fixed Asset Register (3 Years Period)). The Bid document is to be placed in Tender box situated in the foyer of Joe Morolong Local Municipality, D320 Cardington Road, Churchill Village not later than the prescribed time and date when Bids will be opened in public. The Bid will be evaluated and adjudicated in accordance with the Joe Morolong Local Municipality's Supply Chain Management Policy, Preferential Procurement Policy Framework Act No 5 of 2000 using 80/20 points system. The validity period of this Bid is 90 days.

NOTE:

- **The Municipality is not bound to accept the lowest or any bid and reserve its rights in this regard**
- **Please note that late, electronic, couriered, posted or faxed Bid documents will not be accepted**

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 08: INVITATION TO BID (MBD1)

PART A

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE JOE MOROLONG LOCAL MUNICIPALITY					
BID NUMBER:	B219-2023.	CLOSING DATE:	03 July 2023	CLOSING TIME:	12h00
DESCRIPTION	Request for Proposals for the Compilation of GRAP Compliant Annual Financial Statements and Fixed Asset Register (3 Years Period)				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

Bids must be properly received and deposited in the Tender box situated in the foyer of Joe Morolong Local Municipality, D320 Cardington Road, Churchill Village on or before 12h00 on Monday, 03 July 2023 at which time the bids will be opened in public. Bid offers must be submitted in a sealed envelope properly marked in terms of the bid number (B219-2023.) and bid description (Request for Proposals for the Compilation of GRAP Compliant Annual Financial Statements and Fixed Asset Register (3 Years Period)). No bid offers will be accepted via e-mail, facsimile (fax) or telegram. NO LATE BIDS WILL BE ACCEPTED.

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					
TAX COMPLIANCE STATUS	TCS PIN:		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	
[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 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 BID PRICE	R	
SIGNATURE OF BIDDER		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	Finance	CONTACT PERSON	Chief Financial Officer: Mrs B.D Motlhaping
CONTACT PERSON	SCM Manager	TELEPHONE NUMBER	(053) 773 9300 / (071) 354 6838 / registry@joemorolong.gov.za
TELEPHONE NUMBER	(053) 773 9300	FACSIMILE NUMBER	(053) 773 9350
FACSIMILE NUMBER	(053) 773 9350	E-MAIL ADDRESS	registry@joemorolong.gov.za
E-MAIL ADDRESS	scm@joemorolong.gov.za		

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

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 ONLINE**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

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 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 WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 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)? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.2. | DOES THE ENTITY HAVE A BRANCH IN THE RSA? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.3. | DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.4. | DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| 3.5. | 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 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:

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 09: BID EVALUATION CRITERIA

1. Bid to be evaluated on Functionality

This bid will be evaluated on functionality. The evaluation criteria for measuring functionality is objective. The minimum qualifying score for functionality on this bid is 70.00/100.00. A bid that fails to obtain the minimum qualifying score for functionality will be regarded as non-responsive. All bids that obtain the minimum qualifying score for functionality shall be evaluated further in terms of price and the preference point system. The evaluation criteria for measuring functionality and the points for each criteria and each sub-criterion are listed below:

No	Functionality criteria	Sub score weight	Main score	Reference
01	Organisational Experience in Similar projects: Previous experience of similar tasks (Please attach appointment letters and reference letters)		30.00	
	01.01 Over 5 projects (2 AFS and 3 Assets)	30.00		
	01.02 3-5 projects	20.00		
	01.03 1-2 projects	10.00		
02	Reference letters indicating unqualified audit outcomes on similar work either AFS or Assets prepared by the tenderer in the past years from public sector clients (Provide reference letters and Audit Reports) * * A reference letter indicating that the service provider managed to improve an audit outcome relating to the work similar to this advertised task, following first appointment by a client *Reference letters to be Stamped by client.		10.00	
	02.01 The tenderer did not provide reference letters	0.00		
	02.02 The tenderer provided 5 or less reference letters	5.00		
	02.03 The tenderer provided six and above reference letters	10.00		
03	Qualification and experience (Please provide CV and certified qualifications) (Cumulative scoring)		45.00	
	03.01 2x Chartered Accountants (5 marks each)	10.00		
	03.02 Asset management Specialist (CASM)* The Asset Management Specialist is a CASM * Certified Senior Practitioner in Asset Management (CASM) is a qualification awarded by the South African Asset Management (SAAMA)	25.00		
	03.03 Engineers (ECSA Member) 1x Civil	10.00		
04	Methodology (Cumulative scoring)		15.00	
	04.01 No methodology was provided	0.00		
	04.02 The methodology presented is unlikely to lead to achievement of the project objectives and/or: Does not address the full scope of the project Is unclear Does not take into	5.00		

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

No		Functionality criteria	Sub score weight	Main score weight	Reference
		consideration project risks, timelines, or other important considerations			
	04.03	A clear, robust methodology was presented that fully addresses the scope of work to be performed over the entirety of the contract period. Key project risks were identified, and mitigation measures proposed. A project plan has been submitted that considers statutory submission dates and other key considerations. The skills transfer plan should form part of this methodology.	10.00		
TOTAL SCORE				100.00	

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

2. Preference points system for acquisition of goods or services

The evaluation of this bid is based on the Preferential Procurement Point System stipulated in the bid document where a maximum of 80 points are scored for price and a maximum 20 points for achieving the specific BBBEE participation goals

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 10: BID SPECIFICATION DOCUMENTATION

Provisions of the following Services

The preparation and review of Joe Morolong Local Municipality's mSCOA and GRAP Compliant Annual Financial Statements using CaseWare and Compilation and Maintenance of Fixed Asset Register for a period of 36 months.

1. SCOPE OF WORKS

- To benefit from superior knowledge, skills transfer, and knowledge base development while carrying out the duties.
- To expand the municipality's capacity
- Ensure the audit file is complete (working papers; supporting documentation; reconciliations etc.) for each financial year. Working papers must be fully supported so that they provide sufficient appropriate evidence for external audit with no further explanation
- To provide Audit support during audit.
- Assist the municipality with audit queries for the financial year
- Address the issues raised by the AG in the previous financial year audit
- Actuarial services to perform the calculation of long service awards, which forms part of the AFS,
- To assist in the compilation of a GRAP-compliant Fixed Asset Register.
- Provide the costs of rehabilitation of landfill sites and provisions and depreciation report;
- Calculate the provisions for rehabilitation and closure of the landfill sites as at 30 June. The report must assist JMLM to comply with the Waste Act (NEMWA) and GRAP.
- Support the municipality through ensuring the FAR is complete and accurate and that all necessary information in the FAR supports the uploading and importing onto the municipal asset management system; and Ensure compliance to the prescribed GRAP standards
- To capacitate the finance officials involved in the asset register preparation, through the on the-job training.
- Reconcile the immovable asset register with verification report so as to agree all Infrastructure Assets to the register and update any changes noted during the verification i.e., asset location; asset condition etc.
- Unbundling/componentisation of assets under construction and Infrastructure Assets according to GRAP 17 and capturing it into the Asset Register as well as (GIS system).

For more information on the scope of works, please refer to the functionality requirements. The proposal must include the rate per services i.e., hourly rate of the CA(SA), hourly rate of the lead engineer, and the any other professional within the team as per the standardised hourly fee rates of consultants appointed in the Public Service

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

2. CONTACT PERSONS

For any **technical related enquiries**, please contact the Project Champion:

Mrs. Boipelo Motlhaping, (CFO) Cfo@joemorolong.gov.za

Mr. Ofhani Ramukhuvhathi, (Senior Manager: Financial Control) fincontrol@joemorolong.gov.za

3. BRIEFING SESSION

A compulsory briefing session will be held on **Friday 12 May 2023 at 10H00**

4. REQUIREMENTS FOR PROFESSIONAL SERVICES TEAM

The following are minimum requirements for the professional services team. Failure to comply with the minimum requirements for the professional services team will lead to the tender being regarded as non-responsive and will lead to disqualification of the tenderer. The tenderer must ensure that CVs as well as certified copies of academic qualifications and professional registrations and/certification are included in their tender submissions.

The proposed project leader may fulfil anyone (only) of the roles of the following key project team members, however, in such an instance the proposed project team leader must comply with the requirements set for both the project team leader as well as the key team role to be fulfilled. Key team roles, in addition to the project leader, are:

- The asset management specialist
- The project lead accountant – Senior Manager – AFS
- The project lead accountant – Senior Manager – FAR
- The project lead- Civil engineer

Table 1: Professional registrations and awarding body

Professional registration / certification		Awarding body	
Chartered Accountant	CA(SA)	South African Institute of Chartered Accountants	SAICA
Certified Senior Practitioner in Asset Management	CSAM	South African Asset Management Association	SAAMA
Professional Engineer	Pr. Eng	Engineering Council of South Africa	ECSA
Professional Engineering Technologist	Pr.Tech. Eng	Engineering Council of South Africa	ECSA
Professional Valuer	N/A	South African Council for Property Valuers	SACPVP
Professional GISc Practitioner	N/A	South African Geomatics Council	SAGC

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

Table 2: Minimum requirements for professional services team

Resource	Minimum academic qualifications	Professional registration and/or certification	Minimum years professional experience
Project leader	Honours degree or higher in the management sciences, accounting or a built environment discipline	Any of the following: CSAM CA(SA) Pr. Eng or Pr. Tech. Eng	8 years
Asset management specialist	Minimum of Bachelor's degree or equivalent	Member of SAAMA	5 years
Project lead accountant	Honours degree in Accounting	CA	5 years
Second project accountant	Minimum of Bachelors degree or equivalent in Accounting	CIMA/SAIPA	5 years
Project lead civil engineering professional	Minimum of Bachelors degree or equivalent	Registration as either a Pr. Tech Eng or as a Pr. Eng	5 years

Table 3: Minimum requirements for professional services team – Part of returnable

Resource	Minimum academic qualifications	Professional registration and/or certification	Minimum years professional experience
Property valuer	Minimum National Diploma in Real Estate Management or equivalent	Registration as a Professional Valuer without any restrictions	8 years
GIS Professional	Minimum of Bachelors degree or equivalent	Registration as a Pr. GISc	3 8 years

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

5. COMPANY TRACK RECORD

Given the importance of sound financial management and the impact of audit outcomes related to the asset register and quality of annual financial statements, the Joe Morolong Local Municipality wishes to procure the services of a capable asset management company and financial statements preparation with a strong track record of success related to the scope of services required.

Accordingly, tenderers need to demonstrate:

A track record of success in the establishment, maintenance and updating of financial asset registers in the public sector environment, and reference letters from at least three (3) public sector clients within the past five (5) years indicating unqualified audit outcomes on asset registers prepared by the tenderer.

6. CAPACITY BUILDING AND SKILLS TRANSFER

Tenderers must submit a clear methodology on the transfer of skills.

7. METHODOLOGY

Tenderers must submit a clear methodology on how work is to be executed.

NB: Assistance on Asset Management Plan and Asset Maintenance is an activity to be costed upon agreement with the successful bidder but will be capped at the rates on which the bid is appointed on.

8. EVALUATION OF TENDER OFFERS

The procedure for the evaluation of responsive tender offer is the 80/20 preference. Pricing Low does not guarantee appointment. A firm must obtain a minimum of 70 points out of the 100 points on functionality to be considered for price and Specific Goals evaluation where the 80 will be used for price only and the 20 for Specific Goals.

Any false information provided by the bidder will lead to automatic disqualification.

All supporting documents must be submitted at the time of tender submission to enable the bid to be evaluated in accordance with the procedure outlined, the evaluation team will score each tender on the information provided (*Please index file accordingly*).

To qualify for the next step in the evaluation bidders must have a minimum score of 70% or above on functionality.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

9. SCOPE OF WORK - ASSETS

The Municipality has the following assets all of which form part of the scope of work required:

No	Description	GRAP Standard(s)
1.	Land, Buildings, Infrastructure, Community Assets, Capital work in progress	GRAP 17: Property, Plant and Equipment (PPE); IGRAP 18: Recognition and Derecognition of Land GRAP 21 & 26: Impairment of assets
2.	Movable assets (Furniture, Office Equipment, Motor vehicles etc.)	GRAP 17: Property, Plant and Equipment (PPE); GRAP 21 & 26: Impairment of assets
3.	Investment Property	GRAP 16: Investment Property; GRAP 21 & 26: Impairment of assets
4.	Intangible Assets	GRAP 31: Intangible Assets; GRAP 21 & 26: Impairment of assets
5.	Heritage assets	GRAP 103: Heritage Assets; GRAP 21 & 26: Impairment of assets
6.	Landfill Sites	GRAP 17: Property, Plant and Equipment (PPE) GRAP 19: PROVISION FOR LANDFILL SITE REHABILITATION

Terms of reference

1. Physical verification and labelling of all assets of the Municipality, to ensure completeness and existence of property, plant and equipment;
2. The municipality will provide barcodes or request the appointed service provider to provide a quote for the provision of these barcodes.
3. Assign and effect a unique asset identification number by bar-coding and capturing new assets not included in the current fixed asset register;
4. Compile an asset register for all assets in accordance with the accounting practices as prescribed by GRAP, MFMA and National treasury guidelines;
5. Reconcile capital work in progress noting amounts that require capitalisation and unbundling;
6. Preparation of reconciliation between asset register and general ledger and post adjusting journals required;
7. The re-assessment of useful lives, residual values and depreciation method of Property, Plant and Equipment
8. Calculations of the adjusting journals for the re-assessments of the useful lives, residual values and depreciation method;
9. Investigate and correct prior year errors in any thereby assisting the entity in successfully addressing the audit findings and qualifications on PPE as per the Auditor-General's report;

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

10. Review and update a Fixed Asset Management Policy – GRAP17 compliant;
11. Obtain GPS co-ordinates for immovable assets;
12. Review contracts payments for possible misallocation of asset related payments;
13. Provide detail methodology applied for assessment and impairment of assets where applicable;
14. Identification, measurement and recording of possible impairment losses;
15. Prepare an Audit file with supporting documents for all adjustments made, including additions;
16. Provide support during the audit process and resolve all queries relating to this appointment, including accompanying auditors on site visits and attend meetings to resolve audit findings in order to achieve a clean audit opinion;
17. Transfer of skills to the Municipal Officials;
18. Compliance to the municipal Standard Chart of Accounts (mSCOA) regulations incorporating the seven (7) segments.
19. Aid during the audit process, including accompanying auditors on verification and
20. Review of all reconciliations
21. Close out report

10. SCOPE OF WORK - AFS

The Scope of work required for the preparation of AFS is as follows:

A detailed technical GRAP review must be done on the interim and annual financial statements for accuracy and completeness.

- Statement of Financial Position
- Statement of Financial Performance
- Statement of Net Assets
- Statement of Budget Comparison and Actual
- Cash flow Statement
- Accounting Policy
- Notes to the financial statements
- Other supplementary schedules and
- MFMA disclosures requirements

Any reference to GRAP refers individually or in group to the following:

- The applicable reporting framework
- Standards of GRAP
- Directives issued by Accounting Standard Board (ASB) in terms of GRAP
- Guidelines – be it from ASB or National Treasury or any related party
- Interpretations of a Standards of GRAP
- Frequently Asked Questions (FAQs) issued by ASB from time to time

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

- Any other relevant information.
- Reference to applicable AG directives must also be considered as part of the review.
- Provide a detailed project plan of how the review will be undertaken, inclusive of a skills transfer plan.
- Review of the accounting policy that is the basis of the financial statements.
- Provide the municipality with a GRAP disclosure checklist as supporting documentation.
- Cross reference audit file (both hard and soft copies) to ensure that there are supporting documents for each balance – for both the interim and annual financial statements.
- Detailed testing of specific account balances as per management requests.
- A factual finding report must be compiled after all audit review procedures are completed .
- Provide continuous assistance throughout the external audit process
- It is specifically expected that the necessary skills transfer will occur to affected staff throughout the review periods.

The Service provider shall provide the following services:

- a. Assist with the compilation of Annual financial statements that is compliant with Generally Recognised Accounting Practice (GRAP) and IPSAS;
 - b. Thorough review of the Annual financial statements and effect all necessary changes in order to produce a credible set of financial statements.
 - c. Provide complete and accurate AFS disclosures (current and prior year disclosure), registers and working papers for the following items: 1. Inventories 2. Receivables 3. VAT 4. Cash and Cash Equivalents 5. Irregular Expenditure 6. Government Grants and Subsidies (Liability and Revenue) 7. Payables from exchange transactions 8. Commitments 9. Employee benefit obligation 10. Contingencies 11. Provisions 12. Revenue 13. Expenditure 14. Employee Costs 15. UIFWE
 - d. Landfill site provisions/valuations
 - e. Actuarial valuations for Long Service Awards;
 - f. Ensure that all narrative reasons in the AFS can be supported.
 - g. Assess responses and progress on the approved Audit action plan and provide additional supporting evidence where necessary;
 - h. Provide audit support/coordination by:
- i. Address audit queries and Requests for Information issued by the Auditor General of South Africa within stipulated timeframes;
 - ii. Have staff shadow consultants when providing audit support
 - i. Conduct and End of Year Reporting which should, inter alia, include:
 - i. Providing advice, guidance and facilitation with regards to the preparation of the AFS in accordance with Section 122 of the MFMA and in accordance with GRAP standards and disclosures required by Sections 123, 124 and section 125 of the MFMA including the municipal audit file.
 - ii. Providing advice, guidance and facilitation with regards to the implementation of the system to ensure full and proper records of the finances of the municipality are kept in accordance with norms and standards;
 - iii. Ensure the submission of the AFS to the auditor general in terms of Section 126 of the MFMA;
 - iv. Providing advice, guidance and facilitation with regards to addressing any issues raised by the Auditor general in the audit report.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

- v. Provide the calculation of provision for debtors' impairment with working papers and AFS disclosure for consumer debtors.
- vi. Address and clear all material matters included in the previous year's management report.
- vii. Assist with implementation of corrective measures and internal controls to avoid re-occurrence of same finding

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

SECTION 11: PRICING SCHEDULE (MBD3.1)

GENERAL GOODS AND SERVICES - FIRM PRICE

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: **B219-2023.**
Closing day and time: **Monday, 03 July 2023 at 12h00**
Bid description: **Request for Proposals for the Compilation of GRAP Compliant Annual Financial Statements and Fixed Asset Register (3 Years Period)**

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

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

1. BILL OF QUANTITIES

Item no	Quantity	Description of goods / services required	Unit price (VAT Excl.) R	Bid price (Quantity x Unit price) (VAT Excl.) R
1		Preparation and Review of mSCOA and GRAP compliant Annual Financial Statements (Per Annum)		
1.1	1	Year 1		
1.2	1	Year 2 (Annual Inflation Increase____%)		
1.3	1	Year 3 (Annual Inflation Increase____%)		
2		Compilation and Maintenance of Fixed Asset Register (Per Annum)		
2.1	1	Year 1		
2.2	1	Year 2 (Annual Inflation Increase____%)		
2.3	1	Year 3 (Annual Inflation Increase____%)		
		Total bid price carried forward to Pricing Schedule / Summarized Bill of Quantities below (Excluding VAT)		

--	--	--	--	--	--

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

2. PRICING SCHEDULE / SUMMARIZED BILL OF QUANTITIES

Description	Bid price R
Total bid price brought forward from bill of quantities above (Excluding VAT)	
Delivery / travel and subsistence costs (Excluding VAT)	
Other costs (State nature) (Excluding VAT)	
1)	
2)	
3)	
4)	
5)	
NETT PRICE (Excluding VAT)	
VAT	
TOTAL BID PRICE (Including VAT) (Carry forward to front cover of this bid document)	

Required by:

At:

Does offer comply with the specifications?

*YES / NO

* Delete if not applicable

If not to specification, indicate deviation(s):

.....

Period required for delivery: *Delivery: Firm / Not firm

* Delete if not applicable

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.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 12: PREVIOUS WORK EXPERIENCE OF A SIMILAR NATURE

List main work experience of a **similar nature to this bid** successfully executed and completed (or on-going) in the last five (5) years:

No	Institution / client / employer	Project description	Date started	Date completed (indicate projected completion if on-going)	Project value in Rand	Name and contact details of contact person / reference at institution
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

Proof (e.g. Appointment letters, etc.) to be attached.

Representatives of the Joe Morolong Local Municipality are hereby authorized to contact the above contact persons / references of the various institutions to verify the correctness of the information as supplied.

Signature:		Date:	
Position:		Name of Bidder:	

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 13: DECLARATION OF INTEREST (MBD4)

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

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

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, shareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

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

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

3.8.1 If yes, furnish particulars.....

.....

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.....

.....

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

- 3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**
- 3.12.1 If yes, furnish particulars.....
-
- 3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**
- 3.13.1 If yes, furnish particulars.....
-
- 3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES / NO**
- 3.14.1 If yes, furnish particulars.....
-

¹MSCM Regulations: "in the service of the state" means to be –

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

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

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

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

Full Name	Identity Number	State Employee Number

CERTIFICATION

I, THE UNDERSIGNED

FULL NAME

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature:		Date:	
Position:		Name of Bidder:	

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Contractor

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Witness 1

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Witness 2

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Employer

--

Witness 1

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Witness 2

SECTION 14: DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED) (MBD5)

For all procurement expected to exceed R10 million (all applicable taxes included), bidders must complete the following questionnaire:

1. Are you by law required to prepare annual financial statements for auditing? *YES / NO
* Delete if not applicable
 - 1.1 If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

.....
- 2 Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days? *YES / NO
* Delete if not applicable
 - 2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.
 - 2.2 If yes, provide particulars.

.....

.....

.....
- 3 Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract? *YES / NO
* Delete if not applicable
 - 3.1.1 If yes, furnish particulars

.....

.....

.....
- 4 Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic? *YES / NO
* Delete if not applicable
 - 4.1 If yes, furnish particulars

.....

.....

.....

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

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

FULL NAME

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.

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

Signature:		Date:	
Position:		Name of Bidder:	

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 15: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 (MBD6.1)

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Specific Goals.

NB: BEFORE COMPLETING THIS FORM, BIDDERS 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 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 The value of this bid is estimated not to exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 system shall be applicable.

1.3 Points for this bid shall be awarded for:

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

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS (20)	
• B-BBEE status level of Contributor	10
• Locality	10
Total points for Price and Specific Goals must not exceed	100

1.5 Failure on the part of a bidder 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 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) **“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

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1 POINTS AWARDED FOR PRICE

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

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

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

Where

P_s = Points scored for price of bid under consideration
 P_t = Price of bid under consideration
 P_{\min} = Price of lowest acceptable bid

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

3.2.1 POINTS AWARDED FOR PRICE

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

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

Where

P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{\max} = Price of highest acceptable tender

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

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 bid 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 bidders: The bidder must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this bid	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 bidder)	Number of points claimed (80/20 system) (To be completed by the bidder)
1. B-BBEE Status Level of Contributor	N/A	10	N/A	
2. Locality	N/A	10	N/A	

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

4.3 SPECIFIC GOALS CLAIM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022:

4.3.1 NOTE 1 – B-BBEE STATUS LEVEL OF CONTRIBUTOR

It must be noted that total 100% points are obtainable in relation to the requirements as mentioned on the table above. Proof of in the form of BBEE/Certified Sworn Affidavit and ID Copy of business Owner (s) contained in the Central Suppliers Database (CSD) full report. Failure to submit evidential supporting documents (refer to Note: 1) is not an eliminating factor BUT zero point will be scored.

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

4.3.2 NOTE: 2 – LOCALITY

It must be noted that total 100% points are obtainable in relation to the requirements as mentioned on the table above. Proof of in the form of Updated record of Rates and Taxes, Lease Agreement, Affidavit and Tribal Authority Letter and Ownership Information contained in the Central Suppliers Database (CSD) full report. Failure to submit evidential supporting documents (refer to Note: 2) is not an eliminating factor BUT zero point will be scored

Category	Specific Goals Points
1. Enterprises located within the Joe Morolong Local Municipality	10
2. Enterprises located within the John Taolo Gaetsewe District Municipality	8
3. Enterprises located within the Northern Cape Province	2

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

5. DECLARATION WITH REGARD TO COMPANY/FIRM

5.1 Name of company/firm:.....

5.2 VAT registration number:.....

5.3 Company registration number:.....

5.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
 - ☐ One person business/sole propriety
 - ☐ Close corporation
 - ☐ Company
 - ☐ (Pty) Limited
- [TICK APPLICABLE BOX]

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

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 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, if deemed necessary.

WITNESSES

1.
2.

 SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 16: DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT (MBD6.2)

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, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x.

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9.(1) and 9.(3) make provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Regulation 9.(3) prescribes that where there is no designated sector, a specific bidding condition may be included, that only locally produced services, works or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
- 1.4. Where necessary, for bids referred to in paragraphs 1.2 and 1.3 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.
- 1.5. 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.
- 1.6. The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows:

$$LC = 1 - \left[\frac{x}{y} \right] \times 100$$

Where

x imported content

y bid price 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 the South African Reserve Bank (SARB) at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid as required in paragraph 4.1 below.

1.7. A bid will be disqualified if:

- the bidder fails to achieve the stipulated minimum threshold for local production and content indicated in paragraph 3 below; and.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

- this declaration certificate is not submitted as part of the bid documentation.

2. Definitions

- 2.1. **“bid”** includes advertised competitive bids, written price quotations or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the 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).
- 2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **“sub-contract”** means the primary contractor's assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2



3. The stipulated minimum threshold(s) for local production and content for this bid is/are as follows:

Description of services, works or goods	Stipulated minimum threshold
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

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

YES / NO

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.6 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za.

Indicate the rate(s) of exchange against the appropriate currency in the table below:

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

**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: B219-2023.

ISSUED BY: #EntityNameUC#

NB: 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.

I, the undersigned,

FULL NAMES

--

do hereby declare, in my capacity as:

CAPACITY

--

of

NAME OF BIDDER ENTITY

--

, the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that 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.
- (c) The local content has been calculated using the formula given in clause 3 of SATS 1286, the rates of exchange indicated in paragraph 4.1 above and the following figures:

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

If the bid is for more than one product, a schedule of the local content by product shall be attached.

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Contractor

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Witness 1

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Witness 2

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Employer

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Witness 1

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Witness 2

- (d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286.
- (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, may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

SIGNATURE	DATE
WITNESS NO 1	DATE
WITNESS NO 2	DATE

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 17: DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (MBD8)

1. This serves as a declaration 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.
2. The bid of any bidder may be rejected if that bidder or any of its directors have:
 - a. abused the municipality'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. wilfully 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).
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
3.1	<p>Is the bidder or any of its directors listed on the National Treasury's database as a company or person 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>The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
3.1.1	If so, furnish particulars:		
3.2	<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>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
3.2.1	If so, furnish particulars:		
3.3	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</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

3.3.1	If so, furnish particulars:		
3.4	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"/>
3.4.1	If so, furnish particulars:		
3.5	Was any contract between the bidder and the municipality 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"/>
3.5.1	If so, furnish particulars:		

CERTIFICATION**I, THE UNDERSIGNED****FULL NAME****CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TO BE 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:	

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

SECTION 18: CERTIFICATE OF INDEPENDENT BID DETERMINATION (MBD9)

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ 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).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 2 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 3 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:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² 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.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

CERTIFICATE OF BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

B219-2023. : Request for Proposals for the Compilation of GRAP Compliant Annual Financial Statements and Fixed Asset Register (3 Years Period)

in response to the invitation for the bid made by:

JOE MOROLONG 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)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid;or
 - (f) bidding with the intention not to win the bid.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

Signature:		Date:	
Position:		Name of Bidder:	

³ 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.

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

ANNEXURE A: GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT (JULY 2010)

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.

Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

THE NATIONAL TREASURY Republic of South Africa

GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

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Contractor

Witness 1

Witness 2

Employer

Witness 1

Witness 2

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 goods 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 to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

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1.14 “GCC” means the General Conditions of Contract.

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.

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 goods covered by the bid will be manufactured.

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.

1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 “Project site,” where applicable, means the place indicated in bidding documents.

1.21 “Purchaser” means the organization purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

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.

1.25 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.

1.26 “Tort” means in breach of contract.

1.27 “Turnkey” means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

1.28 “Written” or “in writing” means hand-written in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.

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2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

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.

3.2 Invitations to bid are usually published in locally distributed news media and on the municipality/municipal entity website.

4. Standards

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information inspection

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.

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.

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.

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.

6. Patent Rights

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.

6.2 When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

7. Performance security

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.

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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.

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:

- (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
- (b) a cashier's or certified cheque.

7.4 The performance security will be discharged by the purchaser and returned to the supplier 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.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.

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.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Goods 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.

8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods 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 goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.

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 22 of GCC.

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9. Packing

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 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.

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, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

11. Insurance

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.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.

13. Incidental Services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (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
- (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.

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.

14. Spare parts

14.1 As specified, 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:

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- (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;
- (b) in the event of termination of production of the spare parts:
 - (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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.

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.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, 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.

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.

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.

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.

16.4 Payment will be made in Rand unless otherwise stipulated.

17. Prices

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

Contractor	Witness 1	Witness 2	Employer	Witness 1	Witness 2

price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. Assignment

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.

20. Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract 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.

21. Delays in the supplier's performance

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.

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.

21.3 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 goods are required, or the supplier's services are not readily available.

21.4 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 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods 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.

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22. Penalties

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.

23. Termination for default

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:

- (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;
- (b) if the supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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.

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.

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 supplier as having no objection and proceed with the restriction.

23.5 . Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, 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 purchaser actively associated.

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:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

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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

24. Antidumping and countervailing duties and rights

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 supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods 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.

25. Force Majeure

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.

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.

26. Termination for insolvency

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.

27. Settlement of Disputes

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.

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 respect of this matter may be commenced unless such notice is given to the other party.

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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.

27.4 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 supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of Liability

28.1 Except in cases of criminal negligence or wilful 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.

29. Governing language

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.

30. Applicable law

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified.

31. Notices

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.

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.

32. Taxes and duties

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.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

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32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of contracts

33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

34. Amendment of contracts

34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

35. Prohibition of restrictive practices

35.1 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.

35.2 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 purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.

35.3 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.

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