



SOL PLAATJE LOCAL MUNICIPALITY – 1 STAGE BIDDING PROCESS

**Original bid documents must be submitted in a sealed envelope marked
"ENVELOPE 1 ORIGINAL"**

**Duplicate of Original Bid document must be submitted in a sealed separate envelope marked
'ENVELOPE 2 DUPLICATE'**

**IF bids are submitted in one envelope containing original and copy it must be clearly stated on the envelope
that the envelope contains envelope no 1 "ORIGINAL" and envelope no 2 "DUPLICATE"**

**The duplicate must be a true reflection of the original Bid Document and must be certified as such,
see below**

**CONTRACT NUMBER: INFRA/CEE12/2021 - BI-ANNUAL CONTRACT FOR THE SUPPLY & DELIVERY OF HIGH MAST
LIGHT STEEL STRUCTURES COMPLETE WITH LUMINAIRES**

The offer contains MBD1, MBD 2, MBD3.1, MBD3.2, MBD 3.3 (if applicable)

**MBD 4, listing criteria, MBD6, MBD 6.1, MBD 6.2, MBD7, MBD8, MBD 9
and General Conditions of Contract**

**All pages must be signed and witnessed by two witnesses, where requested.
Unsigned bids will be disqualified.**

NAME OF BIDDER:

PHYSICAL TRADING OFFICE ADDRESS:

.....

FINANCIAL (PRICE) OFFER: See price schedule (Incl VAT)

BID PERIOD: For period commencing

Prepared for: F Aysen
Sol Plaatje Municipality
Private Bag X5030, KIMBERLEY, 8300

Prepared by: B. Nkoe
Date 08/12/2021
CTT NUMBER:

For Copy Document Purposes only:

**The copy of the original Bid Document must be submitted in a separate envelope:
I hereby declare that the copy submitted is a true reflection of the original bid.**

Bidder Signature:

Date:

BIDDER CHECKLIST

CONTRACT REF NUMBER: INFRA/CEE12/2021 - BI-ANNUAL CONTRACT FOR THE SUPPLY & DELIVERY OF HIGH MAST LIGHT STEEL STRUCTURES COMPLETE WITH LUMINAIRES

Hereunder is a checklist to ensure that the bid documentation is complete in terms of 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 whether the information has been included and the originals signed and witnessed as required.)**

ITEM	DESCRIPTION	YES/NO
1	Cover letter front page	
2	Invitation to Bid (MBD1) must be completed & signed	
3	Tax Compliance requirements (MBD2)	
4	Pricing Schedule and Specifications to be completed (MBD 3.1), no correctional fluid to be used	
5	Method of Pricing and Price Adjustments to be fully and correctly completed (MBD 3.2)	
6	Professional Indemnity Insurance, where applicable	
7	Functionality Evaluation Schedule: (MBD 3.3) applicable for 2 stage bidding process	
8	Declaration of interest (MBD 4) Original to be completed and signed. No bid will be accepted from persons in the service of the state¹.	
9	Did you submit a valid certified certificate BBBEE certificate (preference points claim) (MBD 6.1) OR a Joint Venture BBBEE valid certified certificate where applicable	
10	Did you comply to DTI standards (local content) as indicated (MBD 6.2) if required	
11	Declaration of bidder's past supply chain management practices (MBD 8)	
12	Certificate of Independent Bid Determination Annexure E5 – (MBD9)	
13	Did you submit one (1) original and one (1) hard copy of the bid documents?	
14	Did you take note and understand the Special Conditions, where applicable?	
15	Did you submit your management and contact details?	
16	Did you submit full and current contact details for three references, as requested in the bid document	
17	Did you submit your company profile, brief financial information, concerning turnover and asset value, and details of any BBBEE Shareholding?	
18	Did you initial every page of your original submission?	
19	Did you comply to all pre-conditions as stated in bid document? (MBD 1)	
20	Did you submit a CURRENT TO 60 days Business OR, Business Residential Municipal Rates & Service Account?	
21	Are you registered as a supplier on Central Supplier Database (www.csd.gov.za) provide CSD report as the proof attached to bid document with the MAAA.....	
22	Did you attend the compulsory site/briefing session where applicable?	
23	Did you attach, Annual Financial Statements attached if project > R10 million, where applicable?	

N.B.:- THIS FORM MUST BE SIGNED BY THE BIDDER AND TWO WITNESSES

SIGNATURE OF BIDDER: _____

NAME OF COMPANY: _____

ADDRESS: _____

CELL TELEPHONE NO: _____ FAX NO. _____

E-MAIL ADDRESS: _____

AS WITNESSES: 1. _____ Name Print _____

2. _____ Name Print _____

DATE:.....

SOL PLAATJE LOCAL MUNICIPALITY**INVITATION TO BID****PART A****INVITATION TO BID**

**THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE FINANCIAL SERVICES

BID NUMBER:	INFRA/CEE12/2021	CLOSING DATE:	07/03/2022	CLOSING TIME:	10H00
DESCRIPTION	BI-ANNUAL CONTRACT FOR THE SUPPLY & DELIVERY OF HIGH MAST LIGHT STEEL STRUCTURES COMPLETE WITH LUMINAIRES				
	To render services on behalf of the Sol Plaatje Local Municipality, as may be required for a period of Two (2) years as indicated on this bid document, from the time of the award. The services shall commence on the date of signing the contract, with an option to extend as may be agreed upon by both parties upon expiry. One complete set of document is available at http://www.etenders.gov.za or http://www.solplaatje.org.za at no cost. One complete set of documents is available from SCU Contracts Department, Municipal Stores Complex Abattoir Road, Ashburnham, and Kimberley upon payment of an amount of R500-00 (Five hundred rand), which is non-refundable. Payment must be made at the cashiers on a "NO 10 deposit slip" using the following mSCOA vote no 21 12 1 42 451 0 SG ZZZ ZZ WM				

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT

SOL PLAATJE MUNICIPALITY

SCU – CONTRACTS DEPARTMENT, MUNICIPAL STORES COMPLEX

ABATTOIR ROAD, ASHBURNHAM

KIMBERLEY

8301

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
PHYSICAL TRADING ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		AND	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		☐ Yes ☐ 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]

1. In terms of section 2 (1) (d-f) of the PPPFA 2017 – The following Pre-Qualification criteria are applicable

Open Tender

An Original B-BBEE Certificate accredited by SANAS or Certified Copy thereof OR

An original certified B-BBEE Sworn Affidavit for EME'S must be included in this bid document to qualify for relevant points claimed as per MBD 6.1 Certificate.

2.Companies or bidders bidding as **Joint venture must** include **their consolidated**

- **Joint Venture Agreement**
- **Joint B-BBEE certificate**
- **MBD 2,4,8 & 9 must** be completed respectively by both parties and submitted as part of the bid document

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ 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			
SIGNATURE OF WITNESS NO 1		NAME PRINT	
SIGNATURE OF WITNESS NO 2		NAME PRINT	
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	SCM	CONTACT PERSON	Fuad Aysen
CONTACT PERSON	6172/6180	TELEPHONE NUMBER	053-830 6403
TELEPHONE NUMBER		FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	faysen@solplaatje.org.za
E-MAIL ADDRESS			

PART B
TERMS AND PRE-CONDITIONS FOR BIDDING

VERY IMPORTANT NOTICE:

- (1): NO BIDS WILL BE CONSIDERED FROM BIDDERS WHO HAS NOT BEEN APPROVED ON THE CENTRAL SUPPLIERS DATABASE (CSD) ON THE NATIONAL TREASURY WEBSITE www.csd.gov.za
- (2) NO BIDS WILL BE CONSIDERED WHO HAS NOT COMPLETED THE LISTING CRITERIA AND SUBMITTED THE REQUIRED DOCUMENTS PRESCRIBED IN THIS DOCUMENT
- (3) NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)

1. BID SUBMISSION:

- 1.1. Bids must be delivered by the stipulated time to the correct address. Late bids will not be accepted.
- 1.2 **All bids must be submitted on the official forms provided – (may not to be re-typed)** Bidders who have purchased the bid documents from the Municipality **MUST** include the proof of such purchase by including a copy of the receipt with the original bid document.
- 1.3 Bidders **MUST** also include a true copy of the original bid documents. Bids **MUST** be placed in a sealed envelope and properly marked as prescribed. It **MUST** be stated that such sealed envelope contains a bid and the description of the bid, the contract reference number, and addressed to the Municipal Manager.
- 1.4 Should a bidder fail to maintain this status after the contract is awarded; the Council may cancel this contract or make single or multiple deductions from any payment claims in terms of the contract to the amount equal to any outstanding amounts owed to the municipality. The bidder shall have no right whatsoever to claim damages resulting from such action.
- 1.5 No correction tape or fluid may to be used on the tender document. Any errors made should be neatly crossed out and initialled by the bidder.
- 1.6 All prices **must** include value added tax, bid prices excluding value added tax may not be considered.
- 1.7 The following is **APPLICABLE ON COMPETITIVE BIDDING ABOVE R10 MILLION**

If the value of the transaction is expected to exceed R10 million (Vat Included), require bidders MUST provide the following documents with the bid documents.

- If the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements
 - For the past three years or
 - Since their establishment if established during the past three years
- Particulars of any contracts awarded to the bidder 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
- A statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic:

Please attach all annexures on the pages as indicated on the bid document

- 1.8 This bid is subject to the preferential procurement policy framework act and the preferential procurement regulations, 2017, the general conditions of contract (GCC) and, if applicable, any other special conditions of contract.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 Bidders must ensure compliance with their tax obligations. see MBD 2
- Bidders are required to submit their unique personal identification number (pin) issued by SARS to enable Municipality to view the taxpayer's profile and tax status.
- 2.2 Application for the tax compliance status (TCS) pin may be made via e-filing through the SARS website www.sars.gov.za.
- 2.3 Foreign suppliers must complete the pre-award questionnaire in Part B Paragraph 5.
- 2.4 In bids where consortia / joint ventures / sub-contractors are involved, each party must submit a separate TCS certificate / pin / CSD number.
- 2.5 All Bidders must be **SARS COMPLIANT** on Central Suppliers Database (CSD), **A CURRENT PROOF** of compliancy and a **TAX COMPLIANCE STATUS (TCS) CERTIFICATE** must be submitted with the Tender document on closing date.
- 2.6 Bidders are required to submit their detailed CURRENT Central Suppliers Database (CSD) registration report

(NOT the summary report) together with the bid document

3. MUNICIPAL ACCOUNT STATUS: BIDDERS ARE REQUIRED TO CONFIRM THE STATUS OF THEIR MUNICIPAL ACCOUNTS BY MEANS OF INCLUDING AN ORIGINAL OR CERTIFIED COPY OF THE MUNICIPAL ACCOUNT IN THIS BID DOCUMENT

3.1. A RECENT (60 DAYS) MUNICIPAL ACCOUNT OF THE PHYSICAL TRADING OFFICE ADDRESS of the bidder indicating that all accounts are in good standing and are not in arrears ; or if the bidder is not liable for, and has no municipal account, even outside the Frances Baard Municipal boundaries

☐ YES ☐ NO

3.2 A VALID LEASE AGREEMENT clearly stating who is responsible for the municipal account and supported by documents indicating that all accounts are in good standing.

☐ YES ☐ NO

3.3 IF THE LESSEE PAY TO THE LESSOR A RECENT (60 DAYS) TAX INVOICE/ MUNICIPAL ACCOUNT of the bidder indicating that all accounts are in good standing, or if the bidder is not liable for any municipal services, **the lease agreement must be attached**

☐ YES ☐ NO

3.4 NO CONFIRMATION LETTER / GENERAL AFFIDAVIT of a lease agreement / Renting will be accepted;

☐ YES ☐ NO

3.5 A RECENT (60 DAY) MUNICIPAL ACCOUNTS MUST also be submitted in cases where the owner/director of the business also acts as landlord of the business property and submitted a lease agreement also see listing criteria MBD 6.1 in this bid document and

☐ YES ☐ NO

3.6 Bidders who has failed to submit and prove that all relevant accounts are in good standing **WILL NOT BE CONSIDERED**, such confirmation and supporting documents **MUST NOT BE OLDER THAN 60 DAYS**.

One complete set of documents is available at <http://www.etenders.gov.za> or <http://www.solplaatje.org.za> at no cost.

4. COMPULSORY CLARIFICATION MEETINGS/ CIDB GRADINGS (IF APPLICABLE)

4.1 IS LOCAL CONTENT APPLICABLE TO THIS BID

☐ YES ☐ NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO THIS BID

4.2 A briefing session with representatives of the Employer will be held at the SCM Boardroom, Municipal Stores Complex, Kimberley on **starting at 10:00**. Those not present by 10:00 according to the facilitator's time will be excluded from the meeting. Doors open 15 minutes prior to the meeting and will close at the time as advertise 10H00.

- Service provider(s) who **do not attend** the compulsory briefing meeting/session **will be prohibited** from submitting proposals
- Confirmation of attendance will be recorded,
- **Bidders must be represented by a competent technical staff member / Senior Technical Official / Project Manager assigned to this project.**

5. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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

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

5.3 DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO

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

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

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

IT WOULD BE APPRECIATED IF YOUR COMPANY COULD PROVIDE THIS OFFICE WITH A RETURNABLE ADDRESS ON THE BACK OF THE ENVELOPES

☐ YES ☐ NO

In terms of section 13 of the Municipal Supply Chain Management Regulations No. 27636 of 30 May 2005, the Municipal Manager shall reject all bids that do not comply with the following preconditions:-

1. Bidders that have not furnished the Municipality with his/her full names, identification number or company or other registration number and tax reference number and vat registration number, if any.
2. Bidders that have not submitted a valid tax clearance certificate from SARS or provided their tax compliance status pin number
3. Bidders that have not indicated: -
 - a. Whether he/she is in the service of the state or has been in the service of the state in the previous twelve months;
 - b. If the bidder is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state or has been in the service of the state in the previous twelve months, or
 - c. Whether a spouse, child or parent of the bidder or of a director, manager, shareholders or stakeholder in the previous twelve months.
 4. Any special conditions as contained in the bid documents.

Bidders scoring the highest points or any bid will not necessarily be accepted, and the Municipality reserves the right to Sub-divide the contract and accept any portion of any bid, or determine a multiple award.

Bids will be evaluated in terms of the approved point system **80/20 OR HIGHEST Points** of Sol Plaatje Municipality as detailed in Preference Points form MBD 6 enclosed in Bid document. Tender validity period should be for **120 days**

NO BIDS BY FAX OR BY E-MAIL WILL BE ACCEPTED. Sealed bids outwardly marked with the relevant contract number

CONTRACT: INFRA/CEE12/2021 - BI-ANNUAL CONTRACT FOR THE SUPPLY & DELIVERY OF HIGH MAST LIGHT STEEL STRUCTURES COMPLETE WITH LUMINAIRES

must be addressed to the Municipal Manager and placed in the **TENDER BOX (OPPOSITE SECURITY), MUNICIPAL STORES COMPLEX, ABATTOIR ROAD, ASHBURNHAM, Kimberley, not later than 10:00 on 07 MARCH 2022.**

IT IS THE PROSPECTIVE BIDDERS RESPONSIBILITY TO OBTAIN BID DOCUMENTS IN TIME TO ENSURE THAT RESPONSES REACH SPLM, TIMEOUSLY. MUNICIPALITY SHALL NOT BE HELD RESPONSIBLE FOR DELAYS IN THE POSTAL/ COURIER SERVICES

Bids will be opened in public in the SCU BOARDROOM, STORES COMPLEX, ABATTOIR ROAD, Kimberley, immediately after opening on the same day at 10am.

INVITATION FROM: MUNICIPAL MANAGER

CIVIC OFFICES, SOL PLAATJE DRIVE
PRIVATE BAG X5030
KIMBERLEY, 8300

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

Certificate of Attendance of Clarification Meeting on Site

(if applicable)

NOTE: If the attendance register was signed at the clarification meeting held at the SCM Boardroom, the name of the signatory shall be inserted on this page and the authorized signatory shall sign this page.

<i>If attendance register has been signed at the clarification meeting:</i>
Name of person appearing on attendance register:
Representative organization name on attendance register:
<i>If the attendance register has not been signed at the clarification meeting.</i>
This is to certify that I, , representative of (Tenderer) of (address) telephone number fax number e-mail attended the bid clarification meeting (date) in the company of (Employer's Line Manager / Engineer's representative) EMPLOYER'S LINE MANAGER / ENGINEER'S REPRESENTATIVE:

THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

NAME OF BIDDER.....

POSTAL ADDRESS.....

STREET ADDRESS... ..

TELEPHONE NUMBER CODE.....NUMBER.....

CELLPHONE NUMBER.....

EMAIL ADDRESS.....

FACSIMILE NUMBER CODE.....NUMBER.....

VAT REGISTRATION NUMBER.....

HAS A VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED OR PROVIDED THEIR TAX COMPLIANCE STATUS PIN NUMBER? (MBD 2)

YES/NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1)

YES/NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)

A REGISTERED AUDITOR

(Tick applicable box)

☐

☐

☐

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE 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?

YES/NO
(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER

DATE.....

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

TOTAL NUMBER OF ITEMS OFFERED

ATTACH VALID JOINT VENTURE AGREEMENT HERE (if applicable)



ATTACH VALID TAX CERTIFICATE HERE
(Joint Venture both certificates)



MBD 2**TAX CLEARANCE CERTIFICATE REQUIREMENTS**

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations. Bids will not be considered if these requirements are not met.

1. Previously a taxpayer (bidder) was required to submit a valid, original paper Tax Clearance Certificate (TCC), the tax payer/ bidder MUST now submit TAX COMPLIANCE STATUS PIN NO. Bids WILL NOT be considered if the correct PIN NO and Tax Reference Number are not included in this document
2. Applications for the Tax Clearance Certificates MUST be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za or contact the SARS Contact Centre on 0800007277
3. The bidder (Name) Hereby grants Sol Plaatje Local Municipality Permission to use the following TAX COMPLIANCE STATUS PIN NO With reference to the following Tax reference Number.....
4. The bidder (Name) Hereby further grants SARS permission to disclose the bidders TAX COMPLIANCE STATUS to Sol Plaatje Local Municipality on an on-going basis during the Contract Term.
5. A bidder who appoints a Sub-Contractor / Joint Venture / Consortia to execute a portion of a contract (Sub-Contractor in excess of National Treasury threshold) must ensure that each appointment is TAX COMPLIANT and remains TAX COMPLIANT for the duration of the contract. Successful bidders must provide Sol Plaatje Local Municipality authority from their appointments confirming that SARS may, on an on-going basis during the contract term, disclose the appointed Sub-Contractor / Joint Venture / Consortia TAX COMPLIANCE STATUS.
6. A bidder who acts on behalf of an undisclosed principal must disclose such a fact upon submission of a bid as well as identity of that principal. The TAX COMPLIANCE STATUS of that principle must be verified in the same manner as that of the bidder. The same principle applies mutatis mutandis to any Sub-Contractor / Joint Venture / Consortia appointed by a successful bidder to execute a portion of a contract.
7. The TAX COMPLIANCE STATUS of all parties must be disclosed and verified if the bidder consists of a partnership and
8. A bidder who is not resident in the Republic of South Africa, must apply for TAX CLEARANCE at SARS.

SIGNATURE OF BIDDER DATE:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

WITNESS 1 DATE:

WITNESS 2 DATE:

NB. This page (MBD2) must be fully completed and signed by two witnesses.

ATTACH THE LAND LORD RECENT MUNICIPALITY ACCOUNT 60 days and
or VALID LEASE AGREEMENT HERE

SOL PLATJE MUNICIPALITY

Sol Plaatje Municipality 		SOL PLAATJE MUNICIPALITY, KIMBERLEY **MANDATORY** LISTING CRITERIA		
CENTRAL SUPPLIER DATABASE REGISTRATION NUMBER (CSD): _____				
1	Company name _____			
2	Contact details	Telephone Number: _____	Fax Number: _____	Cell phone number: _____
	Email address Contact person:	_____		
3	Postal Address: _____			
4	VAT registered	Yes ☐	No ☐	If registered, VAT Registration No: _____
5	Settlement discount allowed	_____ %	For payment within	_____ days
6	Bank account details	Account No.:		Branch No.:
	Bank Name	_____		
	Branch Name	_____		
	Bank account type	_____		
7	Business Municipal Rates and Service Account Number: ** A current (30 days) account, or Lease Agreement in the case of a Landlord responsible for account, must be attached to this document **		_____	
8	Located in Sol Plaatje Municipal Area		Yes ☐	No ☐
9	% owned by black male: _____ %		% owned by black female: _____ %	
	% owned by black youth: _____ %		% owned by white female: _____ %	
	% owned by disabled persons: _____ %			
10	B-BBEE status level of contribution: _____			
11	Indicate main sector. Please select one (1) only: Agriculture ☐ ; Mining and Quarrying ☐ ; Manufacturing ☐ ; Electricity, Gas, Water ☐ ; Construction ☐ ; Retail & Motor Trade & Repairs ☐ ; Wholesale Trade, Commercial Agents and Allied Services ☐ ; Catering & Accommodation & other Trade ☐ ; Transport, Storage & Communications ☐ ; Finance and Business Services ☐ ; Community, Social and Personal Services ☐			
12	Amount full time employed staff: _____	Annual Turnover: R _____	Asset Value (Excluding fixed property) R _____	
13	It is the responsibility of the Supplier/Bidder to inform Sol Plaatje Municipality of any changes during the contract period			
	NAME (PRINT) _____ SIGNATURE: _____			
	CAPACITY: _____			
	WITNESS (NAME): _____ SIGNATURE: _____			
	DATE: _____			

SOL PLAATJE MUNICIPALITY

CONTRACT: INFRA/CEE12/2021 – BI-ANNUAL CONTRACT FOR THE SUPPLY & DELIVERY OF HIGH MAST LIGHT STEEL STRUCTURES COMPLETE WITH LUMINAIRES AS AND WHEN REQUIRED

TECHNICAL SPECIFICATIONS

1. SCOPE

This contract covers the supply and delivery of the masts and associated light fittings as an integral assembly. The light fittings must be pre-fitted prior to delivery and then removed for safe transport. The carriage shall therefore be pre-drilled or clearly and indelibly marked and numbered to show the position of the luminaires for the benefit of the erection personnel. The masts must be designed in accordance with SANS 0225.

2. COVERAGE

For 30m Mast

The area of coverage shall be a minimum of a 300m diameter, to a lighting level of one [1] lux minimum, measured horizontally. This must be achieved utilizing 9 x 276 Watt LED Flood Light Luminaires with downward facing daylight switch.

For 15M Mid hinge (Scissor) Mast

The masts must be designed in accordance with SANS 0225 and to suit the particular application and location in which they will be installed. The moving part of the mast shall have the floodlight cross-arm mounted on it and must be adequately counterbalanced. 6 x 276 Watt LED Flood Light Luminaire with downward facing daylight switch on horizontal illuminant on ground level to be 1 lux at 90M radius

For 25M Mid hinge (Scissor) Mast

The masts must be designed in accordance with SANS 0225 and to suit the particular application and location in which they will be installed. The moving part of the mast shall have the floodlight cross-arm mounted on it and must be adequately counterbalanced. 9 x 276 Watt LED Flood Light Luminaire with downward facing daylight switch on horizontal illuminant on ground level to be 1 lux at 100M radius

The hot dip galvanized mast must be manufactured from Grade 300WA steel **with a minimum wall thickness of 4mm at any point in the mast structure.**

The moving portion shall consist of sections fitted together on site by slip-joints.

The mast, when fully equipped with the luminaries, must be designed to withstand a wind velocity appropriate to the site conditions. During raising and lowering and while in the horizontal position, the mast must withstand the wind forces from any direction as well as its own weight and any inertial effects due to sudden stoppage.

3. DRAWINGS / INFORMATION

The bidder **shall** supply the following drawings:

- 3.1 Detailed drawing of the masts
- 3.2 Detailed shop drawing of carriage on which luminaires are to be fitted, fully-dimensioned to show the position and method of mounting of the light fittings.
- 3.3 Detailed drawing of raising and lowering gear, including details of winch – 30m mast
- 3.4 Detailed drawing of foundation bolt cages
- 3.5 Details of base compartment
- 3.6 Details of reinforcing steel for foundations
- 3.7 Details of luminaires / light fittings, including precise information regarding method, position and angle of mounting in order to achieve design performance.

4. CONSTRUCTION

The 30m masts shall be designed to withstand a maximum wind gust velocity of 43m/second, with all light fittings installed on the carriage.

The mast shall be designed with a minimum factor of safety of 2.5. In the 30m masts the design shall be such that wind excited oscillation shall be damped as much as possible.

5. RAISING AND LOWERING GEAR

For installation and maintenance purposes, it shall be possible to raise and lower the floodlight carriage by means of a winch mounted in the base of the mast. It is essential that the wire ropes are in tension at all times. **The supply & delivery of the winch itself is included in the scope of this contract.**

6. STEEL WIRE ROPES

The floodlight mounting ring shall be raised or lowered by means of a minimum of two stainless steel cables with a minimum breaking strain of 2000 kg each. The factor of safety for the hoisting cables shall be a minimum of 20.

7. HEAD FRAME AND PULLEYS

The head frame shall consist of a chassis integral with a sleeve which fits over the mast top and shall be secured axially and in azimuth. Guides and stops shall be provided for docking the floodlight mounting ring.

The complete head frame and carriage shall be hot-dipped galvanized. The head frame pulleys shall be of large diameter appropriate to the size of cable to be used. They shall be of non-corrosive material and shall run on self-lubricating bearings.

The sheave groove diameters shall not be less than the particular rope nominal diameter plus 5% and all pulleys shall be provided with close-fitting guides to prevent ropes and cable from leaving the pulley grooves.

Arrangements shall be provided to ensure that the electric cable and steel wire ropes are separated before passing over their respective pulleys.

8. WINCHES

Winches shall be completely self-sustaining without the need for brakes or clutches.

The gear ratio shall be a minimum of 30:1. Lubrication points for the winches shall be easily accessible. The winches shall be mounted with straps which are welded to the mast interior.

Termination of the winch ropes shall not involve distortion or twisting of the rope and a minimum of four turns of rope shall remain on the drum when the floodlight mounting ring is fully lowered.

Items must comply with SANS 2 – 5 (High mast lighting).

9. **276 Watt LED Flood Light Luminaire**

The luminaire must consist of 3 compartments viz:

LED Engine, Power supply and Spigot compartments. This allows for the easy installation of the LED engine by means of a hinging action onto a spigot base casting, with incorporated leveling device. It must be secured by stainless steel latches and an access screw. The LED engine must consist of the LED light source and the power supply unit must easily be replaceable when faulty. Both compartments must be rated at IP 66 according to SANS 60598-2-5.

The luminaire must be fitted with Electronic temperature monitoring which prevents overheating of LEDs and power supply, positioned directly next to the LEDs (ThermiX®). The power supply must automatically disengage when the luminaire is opened. The luminaire housing must be manufactured of marine grade aluminium (EN 1706 AC-44300).

The Protector must be manufactured from High-impact clear glass IK 07 according to SANS 62262.

The bottom-entry mounting stirrup must be manufactured from 6mm x 60mm hot-dipped galvanised steel.

The luminaire must be fitted with a 20kV/20kA Surge protection.

The luminaire must be able to operate at a nominal line voltage of 230V and a mains tolerance voltage between 198-264V - 50Hz.

The Lifetime residual flux @ T_q 25°C In accordance with LM-80 – TM-21 must be 90% at 60 000 hours and 70% at 100 000 hours.

The light colour must be Neutral white (4000K, CRI ≥70).

The luminaire must have an Aerodynamic resistance (CxS) of 0.045m².

The luminaire must be supplied complete with a downward facing daylight switch as specified.

In order to comply with the requirements, Bidders must submit a Triangular Spacing design between masts with a minimum lux level of 1lx inside the triangle.

10. **GENERAL SPECIFICATION FOR HYDRAULIC WINCH DRIVE POWER UNIT**

The Hydraulic drive must be extremely robust and have low maintenance needs, even over long periods and frequency of usage.

The TORQUE LIMITING capability must be extremely reliable in combatting over- tensioning of the winch ropes which in most cases susceptible to wear and wedging over pulleys etc. with consequent strand breakages.

COMPONENTS

230V Single phase electric motor for 1.5KW Rating & 4 Pole speed.

Hydraulic Pump of 200 BAR Capacity

Directional valve with built-in torque limiting cartridge

Suction & return-line micronic filtration

High torque slow speed hydraulic motor

15 litres Rectangular oil reservoir (340 X 280 X 750 height)

Special mounting bracket to attach to winch

High pressure hydraulic hoses

Motor / pump housing and drive coupling

DRIVE REQUIREMENTS

The units must be able to drive single drum winches of 600 nm output torque and which normally require 30Nm input drive torque at a speed not exceeding 300 RPM.

The torque limiting cartridge must be factory set at 30Nm as tested on a continuously running hoisting rig to afford an output torque capable of raising a load not exceeding 500kg. Any excess

Torque demanded by the winch will not be possible as the hydraulic motor will maintain its maximum permissible torque for long periods even in a stalled condition. In such a case there is no possibility

that the winch can slip in reverse as the directional valve will resist this even statically as long as the motor remains attached in its working position.

Therefore it is imperative that the forward/reverse lever of the directional valve be able to spring to a neutral LOAD-HOLDING position automatically if the operator lets go (dead-man's-handle). Please note that with the hydraulic drive-motor unattached to winch, the winch alone, is able to sustain the load of itself.

SPECIAL CONDITIONS

Bidders must submit with their bids the following documents, failing which their bid will not be considered.

- In order to comply with the requirements, Bidders MUST submit a Triangular Spacing Design between masts with a minimum lux level of 1lx inside the triangle. This must be done for the 30 metre, 25 metre and the 15 metre masts
- Detailed drawing of the masts
- Detailed shop drawing of carriage on which luminaires are to be fitted, fully-dimensioned to show the position and method of mounting of the light fittings
- Detailed drawing of raising and lowering gear, including details of winch (30m mast)
- Detailed drawing of foundation bolt cages
- Details of base compartment
- Details of reinforcing steel for foundations
- Details of luminaires / light fittings, including precise information regarding method, position and angle of mounting in order to achieve design performance.

MBD 3.1

INFRA/CEE12/2021 – THE SUPPLY & DELIVERY OF HIGH MAST LIGHT STEEL STRUCTURES
COMPLETE WITH LUMINAIRES

PRICING SCHEDULE

PRICES ALTERED BY MEANS OF CORRECTION FLUID WILL NOT BE CONSIDERED

BIDDERS MUST QUOTE ON ALL THE ITEM AS PER PRICE SCHEDULE.

ITEM	DESCRIPTION	Unit Cost <i>INCLUSIVE</i>	Delivery in Weeks
1	30 m steel masts, complete with 9 x 276W LED fittings and mounting brackets, bolt cages, raising and lowering gear as necessary for use with portable winch, trailing cable, equipment mounting board and reinforcing steel for foundations, all as specified	R	
2	15 m steel scissor masts, complete with 6 x 276W LED fittings and mounting brackets, bolt cages, raising and lowering gear as necessary for use with equipment, mounting board and reinforcing steel for foundations, all as specified	R	
3	25 m steel scissor masts, complete with 9 x 276W LED fittings and mounting brackets, bolt cages, raising and lowering gear as necessary for use with equipment, mounting board and reinforcing steel for foundations, all as specified	R	
4	Supply & delivery of portable winch only, suitable for use with item 1.	R	
5A	276 Watt LED Flood Light Luminaire with downward facing day light switch. Complete as specified	R	
5B	276 Watt LED Flood Light Luminaire with upward facing day light switch. Complete as specified	R	
5C	Constant Current Driver for 276 Watt Flood Light LED	R	
5D	Replacement 20kV/20kA Surge Arrestor	R	
6	Hydraulic winch drive power unit complete as specified	R	
GRAND TOTAL FROM ITEM 1-6		R	

SETTLEMENT DISCOUNT ALLOWED _____% _____DAYS

DELIVERY WITHIN _____WEEKS

VALUE ADDED TAX AS WELL AS DELIVERY COSTS TO THE MUNICIPAL STORES MUST BE INCLUDED IN ALL PRICES

THESE BID PRICES WILL HOLD GOOD UNTIL _____

N.B.: PRICES MUST HOLD GOOD FOR AT LEAST 120 DAYS FROM COMMENCEMENT DATE.

I/WE AGREE TO THE CONDITIONS AS SET OUT IN THE ATTACHED SPECIFICATIONS
AND CONDITIONS OF TENDER

SIGNATURE OF TENDERER: _____

NAME OF COMPANY: _____

ADDRESS: _____

TELEPHONE NO. _____ FAX NO. _____

E-MAIL ADDRESS: _____

AS WITNESSES: 1. _____

2. _____

DATE:.....

N.B: This form must be signed by the bidder and witnessed. Removal of any of the details from the tender documents may disqualify the tender.

Bids **MUST** comply with the following Special conditions of Contract where applicable:

- **Period required for delivery**

- _____ days

- **Completion of Project**

- _____ weeks

- Does the offer comply with the specification(s)?

*YES/NO

- Delivery basis

*YES/NO

- **Settlement Discount Allowed**

- _____ % 30 days

- _____ % 15 days

- Value added Tax as well as Delivery Costs to the Municipal Stores must be included in ALL PRICES

BIDDER SIGNATURE

DATE:

SOL PLAATJE LOCAL MUNICIPALITY

CONTRACT REF NO: INFRA/CEE12/2021 – THE SUPPLY & DELIVERY OF HIGH MAST LIGHT STEEL STRUCTURES COMPLETE WITH LUMINAIRES

METHOD OF PRICING AND PRICE ADJUSTMENTS

THIS BID WILL NOT BE CONSIDERED IF ONE OF THE FOLLOWING OPTIONS OF THIS DOCUMENT (MBD 3.2) IS NOT SELECTED AND FULLY COMPLETED.

PLEASE INDICATE IF PRICES ARE FIRM OR NOT FIRM FOR THE DURATION OF THIS CONTRACT.

SELECT NUMBER 1 OR NUMBER 2

1. ☐ Prices are firm for the duration of this contract (including prices subject to Rates of Exchange or any other reasons) Variations will not be considered.

N.B.: AS FROM THE CLOSING DATE OF THE BID, BASE PRICES SHALL REMAIN FIRM FOR THE DURATION OF THE CONTRACT

2. ☐ Prices not firm for the duration of this contract and price variations are applicable

If prices are not firm and number 2 was selected, COMPLETE OPTIONS (A, B or C). One of the options MUST be selected if prices are not firm. Note that only one of the options can be applied to any one of the activities listed in the schedule of quantities and the bidder should clearly indicate the item numbers for options B and C. Escalation (Option A) will be calculated on all items which are not listed in options B or C

N.B.: AS FROM THE CLOSING DATE PRICES MUST HOLD GOOD FOR AT LEAST 12 MONTHS OF THE DURATION OF THE CONTRACT BEFORE ANY PRICE ADJUSTMENTS COULD BE SUBMITTED.

- A. ☐ **NON-FIRM PRICES SUBJECT TO ESCALATION**

1. In cases of period contracts, non-firm prices will be adjusted with the assessed contract price adjustments implicit in non-firm prices when calculating the comparative prices
2. The value of each monthly statement for payment shall be increased or decreased by the amount obtained by multiplying the tender rate for a scheduled item "A_i" by the Contract Price Adjustment Factor for the specific item, rounded off to the fourth decimal place, determined according to the formula:

$$Pa = (1-V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt$$

Where:

Pa	=	The new escalated price to be calculated.
(1-V)Pt	=	85% of the original bid price. Note that Pt must always be the original bid price and not an escalated price.
D1, D2..	=	Each factor of the bid price e.g. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%.
R1t, R2t.....	=	Index figure obtained from new index (depends on the number of factors used).
R1o, R2o	=	Index figure at time of bidding.
VPt	=	15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price:

Index..... Dated..... Index..... Dated..... Index..... Dated.....

Index..... Dated..... Index..... Dated..... Index..... Dated.....

4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR (D1, D2 etc. e.g. Labour, transport etc.)	PERCENTAGE OF BID PRICE

B. ☐ PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

C. ☐ None firm prices based on documentary evidence (including actual supplier's invoices, motivations and letters of confirmation from the bidder's supplier)

I/WE AGREE TO THE CONDITIONS AS SET OUT IN THE ATTACHED SPECIFICATIONS AND CONDITIONS OF BIDDER

SIGNATURE OF BIDDER: _____

NAME OF COMPANY: _____

ADDRESS: _____

CELL TELEPHONE NO: _____ FAX NO. _____

E-MAIL ADDRESS: _____

AS WITNESSES: 1. _____ Name Print _____

2. _____ Name Print _____

DATE:.....

N.B: This form must be signed by the bidder and witnesses. Removal of any of the details from the Bid documents may disqualify the bidder.

AMENDMENTS AND ALTERATIONS: ANNEXURE A

If the bidder desires to amend, vary or alter any of the specifications, conditions of contract, schedule of prices, he/she is to state so hereunder and is to set out clearly the details and character of any amendments, variations or alterations he proposes, together with the variation in cost from his bid price, if there be any variation.

Unless noted in this page when bidding or supported by a covering letter attached to this bid, no variations or alterations which the bidder desires to put forward or into effect, will be executed strictly in accordance with these documents.

SIGNATURE OF BIDDER _____

DATE: _____

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Municipality / Municipal Entity:

Department:

Contact Person:

Tel: Cell:

Fax:

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Department:

Contact Person:

Tel: Cell:

Fax:

DECLARATION OF INTEREST

BIDDERS WHO FAIL TO DECLARE ACCURATELY AND HONESTLY SHALL BE DISQUALIFIED AND THEIR NAMES AND COMPANY DETAILS WILL BE SUBMITTED TO NATIONAL TREASURY AND PROVINCIAL TREASURY TO BE BLACK LISTED. SHOULD YOUR INTEREST BE DISCOVERED AFTER THE AWARD OF THE CONTRACT THE MUNICIPALITY SHALL TERMINATE YOUR CONTRACT ON THE BASIS OF THE ABOVE.

1. No bid will be accepted from persons in the service of the State¹. (Employed by the State)
2. Any person, having a kinship with persons in the service of the State (Employed by 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? (Employed by the State)? **YES / NO**
 - 3.8.1 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.

3.9 Have you been in the service of the State (employed by 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 (employed by 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 (employed by the State) who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.11.1 If yes, furnish particulars

.....
.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in the service of the State (employed by the State)? **YES / NO**

3.12.1 If yes, furnish particulars.

.....
.....

3.13 Are any spouse, child or parent of the company's directors, trustees, managers, principle shareholders or stakeholders in the service of the State (employed by the State) **YES / NO**

3.13.1 If yes, furnish particulars

.....
.....

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

3.14.1 If yes, furnish particulars:

.....
.....

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

Full Name	Identity Number	State Employee Number

DECLARATION

I, THE UNDERSIGNED (NAME).....

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

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
(Print) Name of bidder

FAILURE TO SIGN THE DOCUMENT WILL LEAD TO DISQUALIFICATION

THE MBD 4 TO BE REVIEWED ANNUALLY BY THE BIDDER ON THE SOL PLAATJE DATABASE

PREFERENCE POINT SYSTEM**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL
PROCUREMENT REGULATIONS 2017****PURCHASES**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

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

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

1.3 Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contribution.

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTION	20
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS), or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

- (a) **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- (b) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (c) **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (d) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;

- (e) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) as amended by Act No 46 of 2013;
- (f) **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- (g) **“consortium or joint venture”** 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;
- (h) **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- (i) **“EME”** means an Exempted Micro Enterprise as defines by Codes of Good Practice issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (j) **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- (k) **“functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- (l) **“non-firm prices”** means all prices other than “firm” prices;
- (m) **“person”** includes a juristic person;
- (n) **“QSE”** means a Qualifying Small Enterprise as defines by Codes of Good Practice issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (o) **“rand value”** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- (p) **“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;
- (q) **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- (r) **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- (s) **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

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

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

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

P_{min} = Comparative price of lowest acceptable bid

5. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5.2 A bidder who qualifies as an EME in terms of the B-BBEE Act must submit a sworn affidavit confirming Annual Total Revenue and Level of Black Ownership.

5.3 A Bidder other than EME or QSE must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.

5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

5.6 Tertiary Institutions and Public Entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 5.1

7.1 B-BBEE Status Level of Contribution: = (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or a sworn affidavit.

8. SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES		NO	
-----	--	----	--

8.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME.

(Tick applicable box)

YES		NO	
-----	--	----	--

9. DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm:.....

9.2 VAT registration number:.....

9.3 Company registration number:.....

9.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

9.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

9.7 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number:.....

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

9.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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.

N.B.:- THIS FORM MUST BE SIGNED BY THE BIDDER AND TWO WITNESSES (FAILURE TO COMPLY TO THIS WILL LEAD TO DISQUALIFICATION)

SIGNATURE: _____

NAME: (PRINT) _____

DULY AUTHORISED TO SIGN ON BEHALF OF _____

ADDRESS _____

TELEPHONE NO. _____

DATE _____

WITNESS (1) _____ NAME (PRINT) _____

WITNESS (2) _____ NAME (PRINT) _____

ATTACHED CERTIFIED COPY OF B-BBEE CERTIFICATE HERE

SOL PLATATJE MUNICIPALITY

What are the other firms' principal business activities? _____

Describe all property agreements relating to facilities shared:

FACILITY	MONTHLY	RENTAL	AMOUNT	OWNER	AGREEMENT VERBAL/WRITTEN

(F) Did the firm exist under a previous name? (✓ tick one box)

Yes ☐ No ☐

If yes, what was its previous name and who were the owners/ partners/directors?

(G) Identify any owner or shareholder who has membership interest, or is an employee of, or has duties in another business enterprise, which has also tendered for this contract.

OWNER/ SHAREHOLDER	NAME & ADDRESS OF OTHER FIRM	TITLE IN OTHER FIRM	% OWNERSHIP	TYPE OF BUSINESS OF OTHER FIRM

(H) Is this a joint venture contract? (✓ tick one box)

Yes ☐ No ☐

If yes, describe the joint venture (with what firm and value of work)

The undersigned, who warrants that he/she is duly authorised to do so on behalf of the firm, affirms that:

- (i) the information furnished is true and correct;
- (ii) no part of this contract, other than stated at the time of bid or application, will be subcontracted to other parties.
- (iii) the signatory to the bid document is duly authorised thereto;
- (iv) documentary proof regarding any bidding issues will, when required, be submitted to the satisfaction of the Municipality.
- (v) Upon detecting any false claim or statement will result in the de-registration and the bidder will be prevented from participating in future contracts for a period of three (3) years.

N.B.:- THIS FORM MUST BE SIGNED BY THE BIDDER AND TWO WITNESSES (FAILURE TO COMPLY TO THIS WILL LEAD TO DISQUALIFICATION)

SIGNATURE: _____

NAME: (PRINT) _____

DULY AUTHORISED TO SIGN ON BEHALF OF _____

ADDRESS _____

TELEPHONE NO. _____

DATE _____

WITNESS (1) _____ NAME (PRINT) _____

WITNESS (2) _____ NAME (PRINT) _____

REFER TO LOCAL CONTENT ANNEXURES ATTACHED BELOW

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes 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. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

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

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

1.6. A bid may be disqualified if –

- (a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and
- (b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

2. Definitions

- 2.1. **“bid”** includes written price quotations, advertised competitive bids 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 (this includes labour and intellectual property costs), 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.

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

Description of services, works or goods

Stipulated minimum threshold

REFER TO LOCAL CONTENT ANNEXURES ATTACHED BELOW

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

(Tick applicable box)

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 1.5 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date of advertisement of the bid.

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

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

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

5. Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct?
(Tick applicable box)

YES		NO	
-----	--	----	--

- 5.1. If yes, provide the following particulars:

- (a) Full name of auditor:
- (b) Practice number:
- (c) Telephone and cell number:
- (d) Email address:

(Documentary proof regarding the declaration will, when required, be submitted to the satisfaction of the Accounting Officer / Accounting Authority)

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

LOCAL CONTENT DECLARATION

(REFER TO ANNEX B OF SATS 1286:2011)

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

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Municipality / Municipal Entity):

.....

NB

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

I, the undersigned, (full names),

do hereby declare, in my capacity as of

.....(name of bidder entity), the following:

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

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

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

- (d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / 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 Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

Annex C

[illegible]

Annex D

(D1)
(D2)
(D3)
(D4)
(D5)
(D6)

Tender No.	
Tender description:	
Designated Products:	
Tender Authority:	
Tendering Entity name:	
Tender Exchange Rate:	Pula

Note: VAT to be excluded
from all calculations

EU R 9.00 GBP R 12.00

A. Exempted imported content

Tender item no's	Description of imported content	Local supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Exchange Rate	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Tender Qty	Exempted imported value
(D7)	(D8)	(D9)	(D10)	(D11)	(D12)	(D13)	(D14)	(D15)	(D16)	(D17)	(D18)
(D19) Total exempt imported value										R 0	

B. Imported directly by the Tenderer

Tender item no's	Description of imported content	Unit of measure	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Rate of Exchange	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Tender Qty	Total imported value
(D20)	(D21)	(D22)	(D23)	(D24)	(D25)	(D26)	(D27)	(D28)	(D29)	(D30)	(D31)
(D32) Total imported value by tenderer										R 0	

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

Description of imported content	Unit of measure	Local supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Rate of Exchange	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Quantity imported	Total imported value
(D33)	(D34)	(D35)	(D36)	(D37)	(D38)	(D39)	(D40)	(D41)	(D42)	(D43)	(D44)
(D45) Total imported value by 3rd party										R 0	

D. Other foreign currency payments

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

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

Signature of tenderer from Annex B

(D53) Total of imported content & foreign currency payments - (D32), (D45) & (D52) above R 0

Date:

Annex E

--

(E1)	Tender No.	
(E2)	Tender description:	
(E3)	Designated products:	
(E4)	Tender Authority:	
(E5)	Tendering Entity name:	

Note: VAT to be excluded from all calculations

	Description of items purchased	Local suppliers	Value
	(E6)	(E7)	(E8)
(E9) Total local products (Goods, Services and Works)			

(E10)	(Tenderer's manpower cost)	
(E11)	(Rental, depreciation & amortisation, utility costs, consumables etc.)	
(E12)	(Marketing, insurance, financing, interest etc.)	
	(E13) Total local content	

Signature of tenderer from Annex B

Date: _____



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

**TO: ACCOUNTING OFFICERS OF ALL NATIONAL DEPARTMENTS AND
CONSTITUTIONAL INSTITUTIONS**

**ACCOUNTING OFFICERS OF ALL MUNICIPALITIES AND MUNICIPAL
ENTITIES**

**ACCOUNTING AUTHORITIES OF ALL SCHEDULE 2 AND 3 PUBLIC
ENTITIES**

HEAD OFFICIALS OF PROVINCIAL TREASURIES

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 9 OF
2016/2017**

**INVITATION AND EVALUATION OF BIDS ON A STIPULATED MINIMUM THRESHOLD
FOR LOCAL PRODUCTION AND CONTENT FOR:**

- **STEEL POWER PYLONS**
- **MONOPOLE PYLONS**
- **STEEL SUBSTATION STRUCTURES;**
- **POWERLINE HARDWARE**
- **STREET LIGHTING STEEL POLES; AND**
- **STEEL LATTICE TOWERS AND MASTS**

1. PURPOSE

1.1 The purpose of this Instruction is to:

- 1.1.1. Introduce amendments to the Instruction for steel power pylon dated 28 September 2015 by amending all clauses that contained the deeming of imported primary steel as locally manufactured.
- 1.1.1. Regulate the environment within which Accounting Officers (AOs) and Accounting Authorities (AAs) may procure the aforementioned products which have been designated as a sector for local production and content.

2. BACKGROUND

- 2.1. The Preferential Procurement Regulations, 2011 (the regulations) made in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) which came into effect on 7 December 2011, make provision for Department of Trade and Industry (**the dti**) to designate sectors in line with national development and industrial policies for local production.
- 2.2. Regulation 9(1) of the regulations 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 condition that only locally produced goods,

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 9 OF 2016/2017
INVITATION AND EVALUATION OF BIDS ON A STIPULATED MINIMUM THRESHOLD FOR LOCAL
PRODUCTION AND CONTENT FOR: STEEL POWER PYLONS; MONOPOLE PYLONS; STEEL
SUBSTATION STRUCTURES; POWERLINE HARDWARE; STREET LIGHTING STEEL POLES; AND STEEL
AND LATTICE TOWERS AND MASTS**

services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.

- 2.3. **The dti** has designated and determined the stipulated minimum threshold for the Steel Power and Monopoles Pylons; Steel Substation Structures; Powerline Hardware; Street Lighting Steel Poles and Steel Lattice Towers and Masts for local production and content.

3. PRODUCT DESIGNATION

- 3.1 Power pylons and substation structures are steel fabricated (cut, punched and galvanised) components erected for the transmission, distribution and/or reticulation of electrical power from the power station through to the consumer. At every transition between power generation, power transmission and power distribution there is a need for the erection of a substation which serves as a facility for the stepping up or down of power in preparation for the requirements of the next phase of the power transfer process. Substations are erected using steel structures which are fabricated by way of cutting, punching and galvanising.
- 3.2 Depending on the procuring entity's design requirements, galvanised steel monopole structures can be specified for the transfer of power from the power station through to reticulation to the end user. Galvanised steel monopoles are fabricated following a cutting, bending, welding and galvanising process.
- 3.3 In the construction of power pylons, a variety of auxiliary components are used to fulfil such requirements as providing stability to the power pylon structures, attachment and fastening of components, provision of platforms and foundations etc. They are made in a variety of metals including cast aluminium, galvanised steel and brass. These components are collectively referred to as powerline hardware.
- 3.4 The structures are classified under the harmonisation system as follows:
- H730890: Structures and parts of structures iron/steel (Including Steel Powerlines Hardware)
 - H730820: Towers and Lattice Masts (including Monopole Pylons and Street Lighting Poles)
 - H761090 : Aluminium structures and parts for construction (Including Aluminium Powerlines Hardware)
- 3.5 To ensure that local production and content is discharged on manufacturing activities, the following *steel structures* have been designated and must be included in bid invitations:

Product for designation	Minimum local content
Steel Power Pylons	100%
Monopole Pylons	100%
Steel Substation Structures	100%
Powerline Hardware (listed in Appendix A)	100%
Street Lighting Steel Poles	100%
Steel Lattice Towers and Masts	100%

- 3.6 All primary steel related products: flat products (plates and coils) and long products (rounds, angles, sections and wire related products) and secondary aluminium ingots

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 9 OF 2016/2017
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PRODUCTION AND CONTENT FOR: STEEL POWER PYLONS; MONOPOLE PYLONS; STEEL
SUBSTATION STRUCTURES; POWERLINE HARDWARE; STREET LIGHTING STEEL POLES; AND STEEL
AND LATTICE TOWERS AND MASTS**

are included in this designation and must be manufactured and sourced locally. This is to support and sustain the existing local steelmaking and aluminium secondary smelting capacities respectively.

- 3.7 In this designation, imported input raw materials (aluminium extrusion billets for the manufacture of aluminium components; and zinc ingots used for galvanising powerline, street lighting and substation structure components) are deemed as locally manufactured input materials. These inputs should be imported in raw material form for further fabrication in South Africa.
- 3.8 The imported input raw materials indicated in 3.7 for fabrication of steel power pylons and monopole pylons, steel substation structures, powerline hardware, street lighting steel poles and steel lattice towers and masts will be deemed to have been sourced locally for the purposes of calculating local content.
- 3.9 Organs of State may contact **the dti** in instances where the stipulated minimum threshold for local content cannot be met in order for **the dti** to verify and in consultation with the AO/AA provide directives in this regard.
- 3.10 Subject to market changes, National Treasury in consultation with **the dti** reserves the right to reintroduce deeming of primary steel as locally produced.
- 3.11 For further information, bidders and procuring state organs may contact the Metals Fabrication, Capital and Rail Transport unit within **the dti** at telephone 012 394 4522 or email Muzi Manzi MManzi@thedti.gov.za.
- 3.12 Bid specifications for the designated products in this instruction may be may be done in collaboration with **the dti**.

4. INVITATION OF BIDS FOR:

- 4.1 Bids in respect of Steel Power Pylons, Monopole Pylons; Steel Substation Structures; Powerline Hardware; Street Lighting Poles and Lattice Towers and Masts must contain a specific bidding condition which states that:
 - 4.1.1 Only locally produced or locally manufactured products with a stipulated threshold for local production and content will be considered;
 - 4.1.2 If the quantity; input materials; and/or components of steel power pylons, monopole pylons, steel substation structures, power line hardware, street lighting steel poles, and lattice towers and masts required cannot be wholly sourced from South African (SA) based manufacturers to achieve the designated local content threshold at any particular time, bidders should request and obtain written exemption from the dti. Such exemption applications should be submitted and approvals should be obtained prior to the closure of the bid(s) concerned. The dti, in consultation with the procuring Organ of State and the local industry, will consider the exemption applications on a case-by-case basis and will consider the following:
 - Required volumes in the particular bid;
 - Available collective SA industry manufacturing capacity at that time;
 - Delivery times;
 - Availability of input materials and components;
 - Technical considerations including operating conditions; and
 - Materials of construction.
 - 4.1.3 Bidders must clearly indicate in their bids the quantities to be supplied and the level of local content for each product.
- 4.2 AOs/AAs must stipulate in bid invitations that:

SOL PLATJE MUNICIPALITY

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 9 OF 2016/2017
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PRODUCTION AND CONTENT FOR: STEEL POWER PYLONS; MONOPOLE PYLONS; STEEL
SUBSTATION STRUCTURES; POWERLINE HARDWARE; STREET LIGHTING STEEL POLES; AND STEEL
AND LATTICE TOWERS AND MASTS**

- 4.2.1 The exchange rate to be used for the calculation of local production and content must be the exchange rate published by the South African Reserve Bank (SARB) on the date of advertisement of the bid.
- 4.2.2 Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content.
- 4.3 The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the following formula which must be disclosed in the bid documentation:

$$LC = \left(1 - \frac{x}{y}\right) * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by SARB on the date of advertisement of the bid.

- 4.4 AOs/AAs must clearly stipulate in the bid documentation that the SABS approved technical specification number SATS 1286:2011 and the Guidance on the Calculation of Local Content together with the Local Content Declaration Template [Annex C (Local Content Declaration: Summary Schedule), D(Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)] are accessible to all potential bidders on the dti's official website <http://www.thedti.gov.za/industrialdevelopment/ip.jsp> at no cost.
- 4.5 For the purpose of paragraphs 4.1, 4.2 and 4.3 above, the attached Declaration Certificates for Local Production and Content (SBD/MBD 6.2) must form part of the bid documentation. The SBD 6.2 is for use by all National and Provincial Departments, Constitutional Institutions and Public Entities listed in Schedules 2, 3A, 3B, 3C and 3D to which the Public Finance Management Act apply, whilst the MBD 6.2 is for use by all Municipalities and Municipal Entities to which the Municipal Finance Management Act (MFMA) apply.
- 4.6 AOs/AAs must stipulate in the bid documentation that:
- 4.6.1 The Declaration Certificate for Local Production and Content (SBD/MBD 6.2) together with the **Annex C** (Local Content Declaration: Summary Schedule) must be completed, duly signed and submitted by the bidder at the closing date and time of the bid; and
- 4.6.2 The rate of exchange quoted by the bidder in paragraph 4.1 of the Declaration Certificate will be verified for accuracy.

5. EVALUATION OF BIDS FOR:

- **STEEL POWER PYLONS**
 - **MONOPOLE PYLONS;**
 - **SUBSTATION STRUCTURES;**
 - **POWERLINE HARDWARE;**
 - **STREET LIGHTING STEEL POLES; AND**
 - **STEEL LATTICE TOWERS AND MASTS**
- 5.1 A two stage evaluation process must be followed to evaluate the bids received.

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 9 OF 2016/2017
INVITATION AND EVALUATION OF BIDS ON A STIPULATED MINIMUM THRESHOLD FOR LOCAL
PRODUCTION AND CONTENT FOR: STEEL POWER PYLONS; MONOPOLE PYLONS; STEEL
SUBSTATION STRUCTURES; POWERLINE HARDWARE; STREET LIGHTING STEEL POLES; AND STEEL
AND LATTICE TOWERS AND MASTS**

5.1.1 First stage: Evaluation in terms of the stipulated minimum threshold for local production and content

- (a) Bids must be evaluated in terms of the minimum threshold stipulated in the bid documents.
- (b) The declaration made by the bidder in the Declaration Certificate for Local Content (SBD / MBD 6.2) and Annex C (Local Content Declaration: Summary Schedule) must be used for this purpose. If the bid is for more than one product, the local content percentages for each product contained in Annex C must be used.
- (c) The amendment of the stipulated minimum threshold for local production and content is not allowed.
- (d) AOs/AAs must ensure that the **Declaration Certificate for Local Content** (SBD/MBD 6.2) and **Annex C** (Local Content Declaration: Summary Schedule) are submitted as part of the bid documentation.
- (e) AOs/AAs must verify the accuracy of the rates of exchange quoted by the bidder in paragraph 4.1 of the Declaration Certificate for Local Content (SBD/MBD 6.2).

5.1.2 Second stage: Evaluation in terms of the 80/20 or 90/10 preference point systems

- (a) Only bids that achieve the minimum stipulated threshold for local production and content must be evaluated further. The evaluation must be done in accordance with the 80/20 or 90/10 preference point systems prescribed in the Preferential Procurement Regulations, 2011.
- (b) AOs/AAs must ensure that bids for products that are designated in this Instruction are awarded at prices that are market related taking into account, among others, benchmarking prices, value for money and economies of scale.
- (c) Where appropriate, prices may be negotiated with short listed or preferred bidders. Such negotiations must not prejudice other bidders.

5.2 Benchmark/market related prices

- 5.2.1 AOs/AAs are required to ensure that reasonable or market related prices are secured for the products being procured taking into account factors such as benchmark prices, value for money and economies of scale.
- 5.2.2 For this purpose, AOs/AAs may approach **the dti** to assist, where possible, with benchmark prices. **The dti** will be in a position to provide price references for the different products that have been designated for local production and content.

6. EVALUATION OF BIDS BASED ON FUNCTIONALITY

Whenever it is deemed necessary to evaluate bids on the basis of functionality, the prescripts contained in Regulation 4 of the PPPFA regulation and paragraph 6 and 11 of the Implementation Guide must be followed.

7. POST AWARD AND REPORTING REQUIREMENTS

- 7.1. Once bids are awarded **the dti** must be:
 - 7.1.1 Notified of all the successful bidders and the value of the contracts; and
 - 7.1.2 Provided with copies of the contracts, the SBD/MBD 6.2 Certificates together with the Annex C submitted by the successful bidder(s).

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 9 OF 2016/2017
INVITATION AND EVALUATION OF BIDS ON A STIPULATED MINIMUM THRESHOLD FOR LOCAL
PRODUCTION AND CONTENT FOR: STEEL POWER PYLONS; MONOPOLE PYLONS; STEEL
SUBSTATION STRUCTURES; POWERLINE HARDWARE; STREET LIGHTING STEEL POLES; AND STEEL
AND LATTICE TOWERS AND MASTS**

- 7.2. The purpose of the requirements of paragraph 7.1 above is for **the dti** to, among others, conduct compliance audits with a view to monitor the implementation of industrial development strategies.
- 7.3. Contractors must not be allowed to 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.
- 7.4. Where, after the award of a bid, contractors experience challenges in meeting the stipulated minimum threshold for local content **the dti** must be informed accordingly in order for the department to verify and in consultation with the AO/AA provide directives in this regard.

8. CONTACT INFORMATION

- 8.1 Any enquiries in respect of Local Production and Content and all documents to be submitted to the dti in respect of paragraph 7.1 above must be directed as follows:**

The Department of Trade and Industry
Private Bag X84
Pretoria
0001

For attention:

Dr Tebogo Makube
Chief Director: Industrial Procurement
Tel: (012) 394 3927
Fax: (012) 394 4927
Email: TMakube@thedti.gov.za

9. APPLICABILITY

This Instruction note applies to all National and Provincial Departments, Constitutional Institutions, public Entities listed in Schedule 2 and 3 to the PFMA and Municipalities and Municipal Entities to which MFMA apply.

10. DISSEMINATION OF INFORMATION CONTAINED IN THIS INSTRUCTION NOTE

- 10.1 Heads of Provincial Treasuries are requested to bring the contents of this Instruction note to the attention of Accounting Officers and Supply Chain Management Officials of their respective Provincial Departments.
- 10.2 Accounting Officers of National and Provincial Departments are requested to bring the contents of this Instruction note to the attention of Accounting Authorities and the Supply Chain Management Officials of Schedule 3A and 3C Public Entities reporting to their respective Executive Authorities.
- 10.3 Accounting Officers of Municipalities and Municipal Entities are requested to bring the contents of this Instruction Note to the attention of the Supply Chain Management Officials of their Municipalities and Municipal Entities.
- 10.4 Accounting Authorities of Schedule 2, 3B and 3C Public Entities are requested to bring the contents of this Instruction note to the attention of the Supply Chain Management Officials of their Public Entities.

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 9 OF 2016/2017
INVITATION AND EVALUATION OF BIDS ON A STIPULATED MINIMUM THRESHOLD FOR LOCAL
PRODUCTION AND CONTENT FOR: STEEL POWER PYLONS; MONOPOLE PYLONS; STEEL
SUBSTATION STRUCTURES; POWERLINE HARDWARE; STREET LIGHTING STEEL POLES; AND STEEL
AND LATTICE TOWERS AND MASTS**

11. NOTIFICATION TO THE AUDITOR-GENERAL

A copy of this Instruction will be forwarded to the Auditor-General for notification.

12. REPEAL OF INSTRUCTION DATED 28 SEPTEMBER 2015

This Instruction repeals Instruction on invitation and evaluation of bids based on a stipulated minimum threshold for local production and content for Solar Water Heater Components dated 28 September 2015 and effected on 21 October 2015.

13. AUTHORITY FOR THIS INSTRUCTION NOTE AND EFFECTIVE DATE

13.1 The Minister of Finance has approved the issuance of this Instruction in terms of Regulation 9(2) of the Preferential Procurement Regulations.

13.2 The Instruction takes effect on **27 July 2016**.



**KENNETH BROWN
CHIEF PROCUREMENT OFFICER**

DATE: 30/6/2016.

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 9 OF 2016/2017
INVITATION AND EVALUATION OF BIDS ON A STIPULATED MINIMUM THRESHOLD FOR LOCAL
PRODUCTION AND CONTENT FOR: STEEL POWER PYLONS; MONOPOLE PYLONS; STEEL
SUBSTATION STRUCTURES; POWERLINE HARDWARE; STREET LIGHTING STEEL POLES; AND STEEL
AND LATTICE TOWERS AND MASTS**

APPENDIX A: DESIGNATED LINE HARDWARE COMPONENTS

The stipulated minimum threshold for local content is 100% for each of the items below

Designated Components		
Adaptor plates	Guy Grips	Termination bracket
Adjustable extension links	Helical line items	Threaded rods
Adjustable Stay rod,	Hip stay assembly	Tie strap
Adjustable U bolts	H-Pole Cross-arms	Triangle yokes
Adjustor plate	Insulator spindles & hardware	Trimble
A-Frame Cross-arms	Interim cross-arm	Turnbuckles
Anchor links	Joints & compression fittings	Vibration dampers
Ancillary materials - strain	Jumper terminals	X Arm – A Frames
Arcing horns	Light bracket	Yoke Plates
Armour rods	LV ancillary materials	
Ball clevis	Meter box bracket	
Ball hooks	Midspan joints	
Ball oval eyes	Non-Adjustable stay rod	
Ball tongues	PG clamps	
Base assembly	Pigtail	
Big guards	Pistol clamps	
Bird diverters	Pole clamps	
Bolted connectors	Pole top bracket	
Bolted strain clamps	Pole top make-offs	
Bonding clip	Repair sleeves	
Castings line hardware	Rigid spacers	
Composite/ Silicone Insulators	Rock anchor	
Compression strain clamps	Sag Adjustor	
Conductor clamps	Shackles	
Corona rings	S-Hook	
Counterweights	Socket clevis	
Crosby clamps	Socket tongues	
Cross-arm	Soil Anchors	
Curved washer	Spacer dampers	
Dampers	Spacer yokes	
D-Iron	Spindles	
Earth anchor	Stay bracket	
Earthing	Stay plate	
Equipment platform / Transformer platform	Stay steel components	
Equipment platform bracket	Stay Wire / Steel Wire	
Eye bolt	Steel Poles	
Eye nut	Steel rope terminal fittings	
Fasteners - threaded rods	Strain bracket	
Fasteners (Bolts, nuts, washers, threaded rod)	Strain cross-arm	
Fasteners bolt, nuts & washers	Strapping	
Fasteners strain nuts, strain bolts & forgings	Streetlight brackets	
Forging line hardware	Strut bracket	
Fuse Cut-out Brackets	Support cradle	
Fuse Holder brackets	Suspension cross-arm	
Galvanised pre-fabricated steel	Swivel bracket	

MBD 8

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

Penalty: -

Upon detecting any false claim or statement hereunder will result in the bidder's de-registration and the bidder will be prevented from participation in future contracts for a period of three (3) years.

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		
4.2	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)? To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		

CERTIFICATION

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

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS 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.

N.B.:- THIS FORM MUST BE SIGNED BY THE BIDDER AND TWO WITNESSES (FAILURE TO COMPLY TO THIS WILL LEAD TO DISQUALIFICATION)

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

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

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1.....

Name Print

2.....

MBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids 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). Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

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

Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Ref Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

11. N.B.:- THIS FORM MUST BE SIGNED BY THE BIDDER AND TWO WITNESSES(Failer to comply to this will lead to disqualification)

.....
Signature Date

.....
Position Name of Bidder (print)

WITNESS (1) _____ NAME (PRINT)_____

WITNESS (2) _____ NAME (PRINT)_____

SOL PLAATJE LOCAL MUNICIPALITY

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to Sol Plaatje Municipality 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 Sol Plaatje Municipality.

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, will be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

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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. Within the Northern Cape Province the closing hour will be 11H00, as per Post Office official time.
 - 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 any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 **"Countervailing duties"** are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 **"Country of origin"** means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 **"Day"** means calendar day.
 - 1.8 **"Delivery"** means delivery in compliance of the conditions of the contract or order.
 - 1.9 **"Delivery ex stock"** means immediate delivery directly from stock actually on hand.
 - 1.10 **"Delivery into consignees store or to his site"** means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 **"Dumping"** occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 **"Force majeure"** means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
 - 1.13 **"Fraudulent practice"** means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
 - 1.14 **"GCC"** means the General Conditions of Contract.
 - 1.15 **"Good standing"** means not being blacklisted or involved in illegal activities, must comply with Sol Plaatje Municipality Credit Control Policy with regard to payments for services, and must have satisfactorily complied with present and previous contractual obligations.
 - 1.16 **"Goods"** means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
 - 1.17 **"Imported content"** means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar

tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

- 1.18 **“Local content”** means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.19 **“Manufacture”** means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.20 **“Order”** means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.21 **“Project site,”** where applicable, means the place indicated in bidding documents.
- 1.22 **“Purchaser”** means the organization purchasing the goods.
- 1.23 **“Republic”** means the Republic of South Africa.
- 1.24 **“SCC”** means the Special Conditions of Contract.
- 1.25 **“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.
- 1.26 **“Written” or “in writing”** means handwritten in ink or any form of electronic or mechanical writing. Faxed bid documents will not be accepted as well as e-mailed bid documents, unless stated as such in the invitation to bid or contract.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.1 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.

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 as 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.

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.
- 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 in SCC. The above excludes construction contracts/road repairs, civil, mechanical and electrical works.

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 supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Sol Plaatje Municipality or an organization acting on behalf of the Sol Plaatje Municipality.
- 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 supplies 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 supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies 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 23 of GCC.

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 and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

- 10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.
- 10.2 Documents to be submitted by the supplier are specified in SCC.

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 in the SCC.

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (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 in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
- (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 / Guarantee

- 15.1 The supplier warrants or guarantees (which applicable to be indicated) 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 or guarantee (which applicable to be indicated) shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty / guarantee.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment 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 in SCC.

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

18. Contract amendments

- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

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 contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

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 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

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 judgment 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.

24. Anti-dumping 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, Sol Plaatje Municipality 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 favorable difference shall on demand be paid forthwith by the contractor to Sol Plaatje Municipality or Sol Plaatje Municipality may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

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.
- 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 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
 (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
 (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

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 in SCC.

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 Sol Plaatje Municipality must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

ATTACH ALL ANNEXURES HERE

SOL PLATJE MUNICIPALITY

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