

# MALUTI-A-PHOFUNG MUNICIPALITY



**NOTICE NUMBER: 09/2025/2026**  
**BID NUMBER: SCM/BID36/2025/2026**

**APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF A SHORT-TERM INSURANCE SERVICES TO THE MUNICIPALITY FOR A PERIOD OF THREE (03) YEARS**

**CLOSING DATE: 25<sup>th</sup> JUNE 2026 AT 10H00**

**PREPARED FOR:**

**MALUTI-A-PHOFUNG MUNICIPALITY**

**PRIVATE BAG X 805**

**WITSIESHOEK**

**9870**

**TEL: 058 718 3791**

**CONTACT PERSON: Mr S Mopeli**

**E-MAIL: [selomom@map.fs.gov.za](mailto:selomom@map.fs.gov.za)**

**PREPARED BY:**

**SUPPLY CHAIN MANAGEMENT  
UNIT**

**MALUTI-A-PHOFUNG  
MUNICIPALITY**

**PRIVATE BAG X 805**

**WITSIESHOEK**

**9870**

**TEL: (058) 718 3878**

**(058) 718 3870**

**CONTACT PERSON: Ms M. MOTSAU**

**EMAIL: [mastokim@map.fs.gov.za](mailto:mastokim@map.fs.gov.za)**

**: [palesal@map.fs.gov.za](mailto:palesal@map.fs.gov.za)**

**NAME OF BIDDER** \_\_\_\_\_

**BID AMOUNT; EXCL/INCL VAT** \_\_\_\_\_

**CSD NUMBER:** \_\_\_\_\_

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

## MALUTI-A-PHOFUNG MUNICIPALITY



NOTICE NUMBER: 09/2025/2026  
BID NO. SCM/BID36/2025/2026

### **APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF A SHORT-TERM INSURANCE SERVICES TO THE MUNICIPALITY FOR A PERIOD OF THREE (03) YEARS**

Maluti-a-Phofung Municipality hereby invite bids for Appointment of a Service Provider for the Provision of a Short-Term Insurance Services to the Municipality for a Period of Three (03) Years

#### **Requirements:**

- Bidders must submit a Copy of Company Registration Certificate (CRC) Reflecting Active Members (Except for Sole Traders and Partnership).
- Bidders must be registered with Central Supplier Database (CSD), CSD number must be provided, and in case of a JV all parties must be registered on CSD.
- Bidders are required to submit their unique personal identification Number (Pin) issued by SARS to enable the Municipality to view the taxpayer's profile and tax Status
- All supplementary forms including municipal rates and taxes clearance certificate form contained in the bid documents must be completed in full or (submit a proof that the municipal rates and taxes are not in arrears for more than three months)
- In Bids whereby consortia/ joint ventures/ sub-contractors are involved, each party must submit a separate Tax Compliance Status (TCS) Certificate/Pin/CSD Number.
- Copy of Company Profile (with documents for functionality)
- Bidders must index their bid document properly.
- Sealed Bids should clearly indicate: **APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF A SHORT-TERM INSURANCE SERVICES TO THE MUNICIPALITY FOR A PERIOD OF THREE (03) YEARS (SCM/BID36/2025/2026)**

Closing date: **25<sup>th</sup> June 2026 at 10H00**

Bid Box: Bid Box No. "B"  
Maluti-a-Phofung Municipality  
Setsing Business Centre  
C/O Moremoholo & Motlounge streets  
Phuthaditjhaba

Supply Chain Enquiries: M. Motsau (058)7183878/(058) 718 3870  
mastokim@map.fs.gov.za palesal@map.fs.gov.za

Technical Enquiries: S. Mopeli – (058 718 3791) – selomom@map.fs.gov.za



**Please note:**

1. **No bids will be accepted from persons in the service of the state.**
2. Bid documents will be obtainable as from Friday **the 22<sup>th</sup> of May 2026** after **10h00** from the cashiers point, Phuthaditjhaba offices upon payment of a **R 212.40** non-refundable fee (cash or bank guaranteed in favour of Maluti-a-Phofung Municipality) or alternatively the tender document may be downloaded from e-tender portal at no extra charge.
3. No electronic copies, telegraphics, telefaxes and late Bids will be accepted.
4. Municipality is not bound to accept the lowest Bid.
5. Municipality reserve the right not to award the bid.
6. Municipal Supply chain management policy and Preferential Procurement Policy Framework Act No 5 of 2000 (80/20 preferential points allocation system in line with revised Procurement Regulations of 2022 by using the balance scorecard methodology) will be applied.
7. Only one submission for this bid will be considered from the bidder.
8. Failure to comply with the above mentioned conditions may invalidate your bid.
9. Validity period for this bid 90 days, unless otherwise specified and should you not receive any correspondence from us within that period, regard your bid as unsuccessful.
10. Communication will be limited to the successful bidder.

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ADV M.M MOFOKENG  
MUNICIPAL MANAGER



## **SPECIFICATIONS**

### **1. SCOPE OF WORK**

The appointed insurer must place cover under the following insurance classes:

- Buildings combined
- Office contents
- Business all risks
- Theft
- Money
- Commercial Crime
- Stated Benefits
- Electronic equipment
- Motor Fleet
- Public and employees' liability
- Business Interruption
- Accidental Damage
- Group Personal Accident
- Machinery Breakdown
- SASRIA for Councillors
- SASRIA

Tender price to be fixed for the first twelve (12) months, except for new additions and escalation will be provided for as per the Service Level Agreement (SLA) from the second (2nd) year and third (3rd) year.

## 2. FUNCTIONALITY/EVALUATION CRITERIA

Bidders who score less than **70 points** of the **100 points** for functionality will be disqualified and will not be evaluated on preferential points system.

CRITERIA	WEIGHT	POINTS	DOCUMENTS TO BE SUBMITTED AS PROOF TO SCORE POINTS
<p><b>DEMONSTRATE THE COMPANY EXPERIENCE IN SIMILAR PROJECTS</b></p> <ul style="list-style-type: none"> <li>- &gt; 8 years of experience = <b>40</b></li> <li>- 6 to 7 years of experience = <b>30</b></li> <li>- 4 to 5 years of experience = <b>20</b></li> <li>- 1 to 3 years of experience = <b>10</b></li> <li>- 0 year of experience = <b>0</b></li> </ul>		<b>40</b>	<p>For the Bidder(s) to be considered, the bidder(s) must provide written and signed references on a letterhead from public sectors clients.</p> <p>Reference letters of similar projects (intermediary/insurance services) with contact details for references that can be contacted by the Municipality to confirm that letter is valid.</p>
<p><b>Claims administration system</b></p> <ul style="list-style-type: none"> <li>- &gt; 6 letters of recommendation = <b>10</b></li> <li>- 4 to 5 letters of recommendation = <b>05</b></li> <li>- 2 to 3 letters of recommendation = <b>3</b></li> <li>- 0 to 1 letter of recommendation = <b>1</b></li> <li>- 0 letter of recommendation = <b>0</b></li> </ul>		<b>10</b>	<p>Bidder to provide written and signed recommendation letters on a letterhead from clients (which includes contact details both email &amp; telephone).</p> <p>Claims procedures to be clearly documented and relevant forms to be attached</p>

<b>CRITERIA</b>	<b>WEIGHT</b>	<b>POINTS</b>	<b>DOCUMENTS TO BE SUBMITTED AS PROOF TO SCORE POINTS</b>
<p><b>Experience in Risk Management</b></p> <ul style="list-style-type: none"> <li>- &gt; 6 letters of recommendation = <b>15</b></li> <li>- 4 to 5 letters of recommendation = <b>10</b></li> <li>- 4 to 5 letters of recommendation = <b>5</b></li> <li>- 2 to 3 letters of recommendation = <b>3</b></li> <li>- 2 to 3 letters of recommendation = <b>0</b></li> <li>- 0 to 1 letter of recommendation =</li> <li>- 0 letter of recommendation =</li> </ul>		<b>15</b>	Bidder to provide written and signed recommendation letters on a letterhead from clients.
<p><b>Key representative qualification</b>  <b>Member of institute of independent directors, Institution of Risk Managers, Finance degree and FAIS accredited</b></p> <ul style="list-style-type: none"> <li>- 4 of 4 Certificates = <b>10</b></li> <li>- 3 of 4 Certificates = <b>6</b></li> <li>- 2 of 4 Certificates = <b>4</b></li> <li>- 1 of 4 Certificates = <b>2</b></li> <li>- No Certificates = <b>0</b></li> </ul>		<b>10</b>	<p>The bidder must provide the following certificate:</p> <ul style="list-style-type: none"> <li>•Finance degree NQF level 7 or equivalent</li> <li>•Financial Advisory and Intrmediary Services Act accreditation</li> <li>•Institute of Directors in South Africa accreditation</li> <li>•Institute of Risk Management South Africa accreditation</li> </ul>
<p><b>Public Sectors Clients with portfolio value of R5 billion or above</b></p> <ul style="list-style-type: none"> <li>- 4 Confirmation letters = 25</li> <li>- 3 Confirmation letter = 20</li> <li>- 2 Confirmation letters = 15</li> <li>- 1 Confirmation letter = 10</li> <li>- No confirmation letter = 0</li> </ul>		<b>25</b>	Bidders should submit written and signed confirmation letter on a letterhead from the clients (which includes contact details both email & telephone).
<b>TOTAL ALLOCATION</b>	<b>100</b>	<b>100</b>	

**PART A  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF MALUTI-A-PHOFUNG LOCAL MUNICIPALITY</b>					
BID NUMBER:	SCM/BID36/2025/2026	CLOSING DATE:	25 <sup>th</sup> JUNE 2026	CLOSING TIME:	10H00
DESCRIPTION	<b>APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF A SHORT-TERM INSURANCE SERVICES TO THE MUNICIPALITY FOR A PERIOD OF THREE (03) YEARS</b>				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).</b>					

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

MALUTI-A-PHOFUNG LOCAL MUNICIPALITY
CNR MOREMOHOLO & MOTLOUNG STREETS
SETSING BUSINESS CENTRE
PHUTHADITJHABA
9870
<b>BID BOX "B"</b>

**SUPPLIER INFORMATION**

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		<b>OR</b>	CSD No:	
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	[IF YES ENCLOSE PROOF]			[IF YES, ANSWER PART B:3 ]	
<b>TOTAL NUMBER OF ITEMS OFFERED</b>			<b>TOTAL BID PRICE</b>	<b>R</b>	
<b>SIGNATURE OF BIDDER</b>	.....		<b>DATE</b>		
<b>CAPACITY UNDER WHICH THIS BID IS SIGNED</b>					

<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>	<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>
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DEPARTMENT	SCM	CONTACT PERSON	Mr S Mopeli
CONTACT PERSON	MISS M. MOTSAU OR MISS P. LITSIBANE	TELEPHONE NUMBER	058 718 3791
TELEPHONE NUMBER	058 718 3878/70	FACSIMILE NUMBER	N/A
FACSIMILE NUMBER	N/A	E-MAIL ADDRESS	selomom@map.fs.gov.za
E-MAIL ADDRESS	<a href="mailto:mastokim@map.fs.gov.za">mastokim@map.fs.gov.za</a> <a href="mailto:palesal@map.fs.gov.za">palesal@map.fs.gov.za</a>		

## PART B TERMS AND CONDITIONS FOR BIDDING

### 1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR ONLINE**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

### 2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
- 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

### 3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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

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

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER: .....

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

DATE: .....

**TAX CLEARANCE REQUIREMENTS**

**IT IS A CONDITION OF BIDDING THAT -**

1. The taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his / her tax obligations.
2. The attached form “Application for Tax Clearance Certificate (in respect of bidders)”, must be completed in all respects and submitted to the Receiver of Revenue where the bidder is registered for tax purposes. The Receiver of Revenue will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of twelve (12) months from date of issue. This Tax Clearance Certificate must be submitted in the original together with the bid. Failure to submit the original and valid Tax Clearance Certificate may invalidate the bid.
3. In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate Tax Clearance Certificate. Copies of the Application for Tax Clearance Certificates are available at any Receiver’s Office.

MBD2/ Application for tax Certificate...

**APPLICATION FOR TAX CLEARANCE CERTIFICATE  
(IN RESPECT OF BIDDERS)**

1. Name of taxpayer / bidder: .....

2. Trade name: .....

3. Identification number: 

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

4. Company / Close Corporation registration number: 

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

5. Income tax reference number: 

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

6. VAT registration number (if applicable): 

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

7. PAYE employer's registration number (if applicable): 

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

Signature of contact person requiring Tax Clearance Certificate: .....

Name: .....

Telephone number: Code:..... Number: .....

Address: .....

.....

.....

DATE: 20\_\_\_\_ / \_\_\_\_ / \_\_\_\_

PLEASE NOTE THAT THE COMMISSIONER FOR THE SOUTH AFRICAN REVENUE SERVICE (SARS) WILL NOT EXERCISE HIS DISCRETIONARY POWERS IN FAVOUR OF ANY PERSON WITH REGARD TO ANY INTEREST, PENALTIES AND / OR ADDITIONAL TAX LEVIABLE DUE TO THE LATE- OR UNDERPAYMENT OF TAXES, DUTIES OR LEVIES OR THE RENDITION RETURNS BY ANY PERSON AS A RESULT OF ANY SYSTEM NOT BEING YEAR 2000 COMPLIANT.

DECLARATION OF INTEREST

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

3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

- 3.1 Full Name of bidder or his or her representative:.....
3.2 Identity Number: .....
3.3 Position occupied in the Company (director, trustee, hareholder²):.....
3.4 Company Registration Number: .....
3.5 Tax Reference Number:.....
3.6 VAT Registration Number: .....
3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.
3.8 Are you presently in the service of the state? YES / NO
3.8.1 If yes, furnish particulars. ....

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.

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 for the past twelve months? .....YES / NO
3.9.1 If yes, furnish particulars.....

.....  
3.10 Do you have any relationship (family, friend, other) with persons  
in the service of the state and who may be involved with  
the evaluation and or adjudication of this bid? ..... **YES / NO**

3.10.1 If yes, furnish particulars.  
.....  
.....

3.11 Are you, aware of any relationship (family, friend, other) between  
any other bidder and any persons in the service of the state who  
may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.11.1 If yes, furnish particulars  
.....  
.....

3.12 Are any of the company's directors, trustees, managers,  
principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.  
.....  
.....

3.13 Are any spouse, child or parent of the company's directors  
trustees, managers, principle shareholders or stakeholders  
in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.  
.....  
.....

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

3.14.1 If yes, furnish particulars:  
.....  
.....

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

<b>Full Name</b>	<b>Identity Number</b>	<b>State Employee Number</b>

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

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

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

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

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

**1. GENERAL CONDITIONS**

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

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

1.2

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

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) Specific goals

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

1.5

	<b>POINTS</b>
<b>PRICE</b>	80
<b>SPECIFIC GOALS</b>	20
<b>Total points for Price and Specific Goals must not exceed</b>	<b>100</b>

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

- 1.7 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**

The words in this policy shall bear a meaning as prescribed and/or ascribed by applicable legislation, and in the event of a conflict, the meaning attached thereto by National Legislation shall prevail:

- (a) “Act” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).
- (b) “Black people” as defined in the Broad-Based Black Economic Empowerment Act, 2003 (Act No 53 of 2003), is a generic term which means Africans, Coloured and Indians.
- (c) “Tender” means a written offer or bid in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services or goods.
- (d) “price” means an amount of money tendered for good or services, and includes all applicable taxes less all unconditional discounts;
- (e) “rand value” means the total estimated value of a contract in rand, calculated at the time of bid tender invitation, and includes all applicable taxes and
- (f) “tender for income generating contracts” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auction.

## **3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES**

### **3.1 POINTS AWARDED FOR PRICE**

#### **3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS**

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

## 80/20

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

Where

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

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

### 4. POINTS AWARDED FOR SPECIFICATION GOALS

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

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

(a) an invitation for tender for income-generating contracts, that either the 80/20

or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points allocated (90/10 system) (To be completed by the tenderer)	Number of points allocated (80/20 system) (To be completed by the tenderer)
Location based: <ul style="list-style-type: none"> <li>• Within Maluti-a-Phofung = 15</li> <li>• Within Thabo Mofutsanyana District = 10</li> <li>• Within Free State Province = 05</li> <li>• Outside Free State = 0</li> </ul> <p><b>DOCUMENTATION REQUIRED FROM THE BIDDER TO VALIDATE THEIR CLAIM FOR POINTS</b></p> <ul style="list-style-type: none"> <li>• Official Municipal Rates Statement</li> <li>• Lease Agreement Affidavit for rural entities</li> </ul>		15		
Gender (Woman Owned Enterprise) = 05 <p><b>DOCUMENTATION REQUIRED FROM THE BIDDER TO VALIDATE THEIR CLAIM FOR POINTS</b></p> <ul style="list-style-type: none"> <li>• Company Registration Documents</li> <li>• Identification Documents</li> </ul>		05		
<b>Total Points Allocated</b>		<b>20</b>		

**DECLARATION WITH REGARD TO COMPANY/FIRM**

4.1 Name of company/firm:.....

4.2 VAT registration number:.....

4.3 Company registration number:.....

4.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

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

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

Signature(s) of Tenderer(s): \_\_\_\_\_ Date: \_\_\_\_\_

**DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality’s / municipal entity’s supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury’s website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p><b>The Register for Tender Defaulters can be accessed on the National Treasury’s website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
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 of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>No</b>
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME) .....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS  
DECLARATION FORM TRUE AND CORRECT.**

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

<sup>1</sup> **Includes price quotations, advertised competitive bids, limited bids and proposals.**

<sup>2</sup> **Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Municipality / Municipal Entity)

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<sup>3</sup> 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.

<sup>3</sup> **Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.**

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## Maluti-a-Phofung Municipality



Setsing Business Centre  
C/o Moremoholo & Motlounj Streets  
Phuthaditjhaba  
9866

Private Bag X805  
Witsieshoek  
9870  
Tel: 058 718 3700  
Fax: 058 713 0459

Enquiries: Supply Chain Management Unit

### **MUNICIPAL SERVICES, RATES AND TAXES CLEARANCE CERTIFICATE FOR SUPPLY CHAIN MANAGEMENT PURPOSE**

The purpose of this form is to obtain prove that municipal services, rates and taxes of the service provider are not more than three months in arrears with the relevant municipality / landlord in the municipal area where the service provider conduct his / her business. **This form is to be completed only if the service provider's rates and taxes are not in arrears for more than three months.**

**PART A** – to be completed by the relevant municipality in the case where the service provider is the registered owner of the site / owner pays for municipal services / tenant pays for municipal services

**OR**

**PART B** – to be completed by the landlord in the case where the service provider is renting the premises / rental paid by tenant include municipal services.

<b>PART A (TO BE COMPLETED BY THE RELEVANT MUNICIPALITY)</b>	
Name of the Municipality:	
Property Physical Address:	
Registered Name:	
Official's Name: _____	Municipality Stamp Here
Signature : _____	
Date: _____	
<b>Please tick whether in arrears or up-to-date</b>	
Rates and taxes :	Up-to-date / in arrears for more than 3 months
Water:	Up-to-date / in arrears for more than 3 months
Electricity:	Up-to-date / in arrears for more than 3 months

Refuse : Up-to-date / in arrears for more than 3 months  
Other services: Up-to-date / in arrears for more than 3 months

**PART B ( TO BE COMPLETED BY THE LANDLORD)**

Name of the Landlord:

Property Physical Address:

Landlord Signature:

Date: \_\_\_\_\_

**Landlord's business stamp here Or an Affidavit from SAPS  
Lease Agreement (Compulsory)**

**Please tick whether up-to-date or in arrears**

Rental: Up-to-date / in arrears for more than 3 months

Municipal services: Up-to-date / in arrears for more than 3 months

**NB: In the event that company is operating on leased premises and the address is not the same as the Company registration both lease agreement and landlord statement of account (not in arrears for more than three months) must be attached.**

**: If the company address or operate in rural settlement the service provider should attach their electricity purchase pattern. Electricity purchase pattern can be validated once the company purchase electricity in three (03) consecutive months.**

**: In the event the landlord does not have a business stamp an affidavit from SAPS AND lease Agreement must be attached.**