



KING CETSHWAYO
DISTRICT MUNICIPALITY

**KING CETSHWAYO DISTRICT
MUNICIPALITY**

TENDER DOCUMENT

REFERENCE: KCDM/28/2023

**TENDER FOR THE PROVISION OF
SHORT-TERM INSURANCE FOR THE
PERIOD 01 JULY 2024 – 30 JUNE 2027**

CLOSING DATE: MONDAY, 19 FEBRUARY 2024 @12h00

**COMPULSORY TENDER MEETING: THURSDAY, 01 FEBRUARY
2024 @ 10H00**

**Documents to be addressed to the Municipal Manager and
deposited in Council's quote box situated at the foyer of the
offices of the King Cetshwayo District Municipality, Corner of
Kruger Rand and Barbados Bay Road, CBD, Richards Bay**

SERVICE PROVIDER'S DETAILS

Name of Service Provider:	
Central data base supplier number	
Contact Person:	
E-mail Address:	
Telephone Number:	()Code
Fax Number:	()Code
Physical Address:	
Postal Address:	



KING CETSHWAYO DISTRICT MUNICIPALITY TENDER

REFERENCE: KCDM/28/2023

TENDER FOR THE PROVISION OF SHORT-TERM INSURANCE FOR THE PERIOD 01 JULY 2024 – 30 JUNE 2027

King Cetshwayo District Municipality (KCDM) invites tenderers from service providers registered with Central Suppliers Database for a Tender for the provision of short - term insurance for the period 01 July 2024 to 30 June 2027.

Interested parties must download & print the bid document from www.etenders.gov.za or www.kingcetshwayo.gov.za. If the tenderers are unable to download the tender document from etenders website, a fee per page will be charged and payable at the Cashiers Office on collection.

Prospective service providers are required to ensure full completion and correctness of information when responding to MBD 4 and all other required declarations in the document. The municipality reserves the right to validate the correctness of the declarations through various databases inclusive of the Central Supplier Database (CSD). Failure to fully complete and/or provision of incorrect information in the declaration will be regarded by the employer as a non-responsive tender.

Any tender submitted by a person(s) who is in the service of the state or if that person(s) is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state or who is an advisor or consultant contracted with the Municipality shall not be considered in terms of regulation 44 of the Municipal Supply Chain Regulations.

A Compulsory tender meeting will be held on **Thursday, 01 February 2024 @10h00 at Finance Boardroom** of King Cetshwayo Municipality, Prince Mangosuthu Buthelezi House, Corner of Krugerrand & Barbados Bay Road, CBD, Richards Bay. Prospective tenderer's that do not attend the meeting will be disqualified

This tender will be evaluated on a **80/20** preferential points system. Should you wish to claim any preference points please ensure that you submit an original or certified copy of your companies' B-BBEE Status level verification certificates with the tender document.

Completed tenders in sealed envelopes bearing the tender number must be deposited in the Municipality's tender box in the foyer of Prince Mangosuthu Buthelezi House, Corner of Krugerrand & Barbados Bay Road, CBD, Richards Bay on or before 12H00, Monday, 19 February 2024, It must be noted that tenders will not be opened in public, however the opening list will be published on KCDM's website. Tenders received after the due date and time will not be considered.

"King Cetshwayo District Municipality will strive to achieve the specific goals in line with the PPPFA regulations 2022 and the RDP. "

		<R50 Million
NO.	Categories	80 20
1	EME or QSE which is 100% owned by black people	10
2	BBBEE level 1	10
	Total	20

It will be the tenderer's responsibility to check the document on receipt for completeness and to notify the employer of any discrepancies or omissions. It is the tenderer's responsibility to provide all the data and information requested in the form required, failure to do so may be regarded by the employer as a non-responsive tender. Submissions may only be done on documentation supplied by the Municipality.

All communication between the employer and the tenderer shall be in a form that can be read, copied and recorded. All writing shall be in the English Language. The employer shall not take any responsibility for non-receipt of communications from a tenderer.

SCM enquiries must be directed to Zamo Mkhwanazi at Tel. 035-799 2790 and Technical enquiries to Ms. Kim Swift on Tel (035) 799 2712 or swiftk@kingcetshwayo.gov.za

**Tenderers who do not hear from King Cetshwayo Municipality within 90 days of the closing date of the tender should consider their tender unsuccessful.
Please note that no tender will be accepted by fax or e-mail.**

Mr. P.P. Sibiya
Municipal Manager
King Cetshwayo District Municipality
Private Bag X1025
RICHARDS BAY
3900

ENCLOSURES

- 1. FORM OF TENDER & SPECIFICATIONS** **SECTION A**
 - FORM OF SPECIFICATION
 - FORM OF TENDER
 - FORM OF OFFER
- 2. PREFERENTIAL PROCUREMENT** **SECTION B**

PRICE PREFERENCE FORMS
(TO BE INCLUDED SHOULD PREFERENTIAL POINTS BE CLAIMED)
- 3. CONDITIONS OF TENDER** **SECTION C**
- 4. CONDITIONS OF CONTRACT** **SECTION D**

NATIONAL TREASURY GENERAL CONDITIONS OF CONTRACT
- 5. FORM OF ACCEPTANCE & DECLARATION**

EVALUATION DOCUMENTS:

	INCLUDED (Indicate with X)			Section E
	YES	NO	N/A	
FORM OF ACCEPTANCE & DECLARATION				Pg 1 of 20
ORIGINAL OR CERTIFIED COPIES OF MUNICIPAL ACCOUNTS				Pg 3 of 20
WORKMEN'S COMPENSATION				Pg 4 of 20
THREE ORIGINAL OR CERTIFIED COPIES OF VERIFIABLE WRITTEN REFERENCE LETTERS IN THE FIELD OF MUNICIPAL INSURANCE COVER/ PUBLIC SECTOR INSURANCE COVER (WITHIN THE LAST 3 YEARS)				Pg 5 of 20
ORIGINAL/CERTIFIED COPY OF PROFESSIONAL INDEMNITY COVER TO THE VALUE OF R 80 000 000.00				Pg 6 of 20
VALID ORIGINAL OR CERTIFIED COPY OF IGF GUARANTEE				Pg 7 of 20
VALID ORIGINAL OR CERTIFIED COPY OF PROOF OF MEMBERSHIP OF THE NATIONAL BROKER CONTROL BODY(SAFSIA)				Pg 8 of 20
VALID ORIGINAL OR CERTIFIED COPIES OF PROOF OF REGISTRATION AS A FINANCIAL SERVICES PROVIDER WITH THE FINANCIAL SERVICES BOARD				Pg 9 of 20
DECLARATION OF TENDERERS PAST SUPPLY CHAIN MANAGEMENT PRACTICES				Pg 10 of 20
DECLARATION OF INTEREST				Pg 13 of 20
CERTIFICATE OF INDEPENDENT BID DETERMANATION (MBD 9)				Pg 16 of 20
ACCEPTANCE FORM				Pg 20 of 20
SUGGESTIONS OF PROPOSED PORTFOLIO STRUCTURE INCLUDING DEDUCTIBLES.				
DETAIL OF YOUR COMPANY'S INFRASTRUCTURE, SHAREHOLDING AND ORGANIZATION'S STRUCTURE INCLUDING LOCAL BRANCH LEVEL.				
A SUGGESTED SERVICE PLAN INCLUDING CONTINGENCY PLAN IN THE EVENT OF SERVICE TEAM CRISIS.				
DETAIL OF THE EXPERIENCE OF THE SERVICE TEAM WHO WOULD BE SUPPORTING THE MUNICIPALITY, ESPECIALLY IN THE MUNICIPAL/PUBLIC SECTOR				
PERCENTAGE OF TOTAL NUMBER OF CLAIMS VS NUMBER OF SUCCESSFUL CLAIMS – LINKED TO VERIFIABLE REFERENCES PROVIDED				

NB:

- ♣ All forms must be completed, failure to do this **may** invalidate your bid.
- ♣ If any of the forms, or portion of any form, is not relevant, please indicate it on the form by marking it N/A.
- ♣ All certified documents must not be certified by bidder's own employee/ director as this may invalidate your bid.

FORM OF TENDER AND SPECIFICATIONS

Form of Tender

1. Executive Summary of the Municipality

The King Cetshwayo District Municipality is established as a high capacity municipality comprising of five local municipalities, i.e. uMfolozi, uMhlathuze, uMlalazi, Mthonjaneni and Nkandla. The municipality covers an extensive geographical area of approximately 8,200 square kilometers that stretches from Gingindlovu in the south to uMfolozi in the north and inland to Nkandla. The District has the third largest population (estimated at 1 021 344)(Census 2022) in the province. The area is third most important in the province. The District predominately covers rural terrain and most access to consumers and sites are often accessed through traversing through gravel roads.

2. Scope

Prospective tenderers are hereby invited to tender on the provision of a short term brokerage services for the period starting 01 July 2024 to 30 June 2027. King Cetshwayo District Municipality intends to appoint a suitably qualified and experienced intermediary to negotiate and finalise the placement of its short term insurance portfolio and maintain the cover in a manner that will reduce risk areas and be cost effective to the municipality.

The successful tenderer will be appointed for a three (3) year period commencing on 01 July 2024 to 30 June 2027 (36 months) and will enter into a service level agreement.

3. Specifications

- 3.1 Tenderers are required to tender for the provision of short term insurance with cover for sections as indicated in the Form of Tender (Sections A, pg 4 of 10)

4. Special Conditions of Tender

	Yes	No	N/A
4.1 Tenderers must meet the following criteria;			
• Have a R80 000 000 Professional Indemnity Cover and an original/certified copy of the certificate must be attached.			
• Local representation will be preferable.			
4.2 Tenderers must also submit the following information;			
• Proposed portfolio structure including deductible's.			
• Details of your company's infrastructure, shareholding and Organization's structure including local branch level.			
• A service plan including contingency plan in the event of service team crisis.			
• Details of the experience of the team who would be supporting the municipality, especially in the municipal/public sector.			
• Details of existing municipal clients presently handled by the service team with contact details and date of appointment.			
• Details of the designated main branch where the municipality's portfolio will be handled.			
➤ Physical Address.			
➤ Portfolio Manager.			
➤ After hour's service.			
4.3 If any limitations and/or uncommon conditions and exclusions are to be imposed, this must be stated very clearly in the respect of each class of insurance of the policies.			
4.4 Deductibles are to be shown clearly, otherwise the council will assume that no deductibles will apply and this may not be rectified afterwards.			
4.5 Tenderer's proposals to be accompanied by a detailed premium calculation for each of insurance submitted.			
4.6 The tenderer must disclose the insurer or consortium(underwriter) of insurers on each policy type as well as the type of policy wording as indicated in tender documents together with proof from the insurer.			
4.7 The successful service provider to enter into a service level agreement with the King Cetshwayo District Municipality.			

5. FINANCIAL INFORMATION OF KING CETSHWAYO DISTRICT MUNICIPALITY.

5.1 Vat Registration Number:4600115499

5.2 Cost and carrying value of assets

ASSET CATEGORY	COST	CARRYING VALUE
Heritage Assets	R 1 487 200.00	R 1 487 200.00
Computer Software	R 6 866 462.00	R 3 630 090.53
Infrastructure	R 3 892 064 475	R 3 004 049 801
Land and Buildings	R 76 692 900.00	R 46 758 759.23
Other Assets	R 41 709 195.15	R 12 137 354.74
Community Assets	R 28 775 026.00	R 18 575 838.00
Vehicles – inclusive of water tankers	R 90 041 219.00	R 54 011 956.38
TOTAL	*R 4 137 636 479	*R 3 140 651 002

*Figures as at 30 June 2023 inclusive of WIP.

5.3. The approved budget for the MTREF including 2025/2026 is on the Municipal Website, www.kingcetshwayo.gov.za

Capital budgets for the MTREF 2023/2024 -2025/2026 are as follows;

Capital Budget per Vote			
	2023/2024	2024/2025	2025/2026
COST CENTER	Final Budget	Budget	Budget
	R	R	R
BOARD	1,000,000	-	-
PUBLIC RELATIONS	50,000	-	-
EXECUTIVE & COUNCIL	1,050,000	-	-
BUDGETS & REPORTING	3,500,000	200,000	150,000
INFORMATION & COMMUNICATIONS TECHNOLOGY	1,000,000	1,150,000	1,150,000
ASSET CARE CENTRE	200,000	250,000	300,000
FINANCE & ADMINISTRATION	4,700,000	1,600,000	1,600,000
MUNICIPAL HEALTH SERVICES	50,000	-	-
ENVIRONMENTAL HEALTH SERVICES	50,000	-	-
ECONOMIC DEVELOPMENT	2,623,000	-	-
ECONOMIC DEVELOPMENT, PLANNING & RURAL DEVELOPM	2,623,000	-	-
COMMUNITY SERVICES	-	1,600,000	-
COMMUNITY & SOCIAL SERVICES	-	1,600,000	-
TECHNICAL FACILITY SERVICES - LANDFILL	20,000,000	1,000,000	-
WASTE MANAGEMENT	20,000,000	1,000,000	-
WATER USE EFFICIENCY	18,958,235	40,427,428	20,000,000
PROJECT MANAGEMENT UNIT	350,000	-	-
PROCESS MANAGEMENT	4,000,000	-	-
MUNICIPAL INFRASTRUCTURE & IMPLEMENTATION	415,328,590	482,174,781	433,091,019
WATER SERVICES AUTHORITY DIVISION	10,800,000	-	-
WATER SERVICES PROVIDER DIVISION - SSA	10,500,000	2,000,000	-
INFRASTRUCTURE SERVICES	459,936,825	524,602,209	453,091,019
SANITATION	27,000,000	30,000,000	59,069,200
WASTE WATER MANAGEMENT	27,000,000	30,000,000	59,069,200
TOTAL	515,359,825	558,802,209	513,760,219

5.4. Cover required

Cover is required on the assets as categorized per the table in 5.2 above. In addition to cover of tangible and intangible assets cover would be required on the following;

King Cetshwayo District		ESTIMATED
No	CLASS OF RISK	SUM INSURED - RANDS
	Combined	
1	Standard Constructed Buildings	4,137,636,479
2	Non Standard - Thatch	100,000
3	Stock	6,064,210
	Business Interruption	
4	Income	9,304,442
	Office Contents	
5	Contents insured property	16,711,420
	Business All Risks	
6	All other specified items (excluding Cellphones & Laptops)	9,067,916
7	Laptops	5,301,262
	Theft	
8	First Loss Limit	200,000
	Glass	
9	All fixed internal & external glass at the premises	3,300,000
	Money	
10	Major limit	50,000
	Accidental Damage	
11	Total value of property	4,137,636,479
12	Limit of indemnity	350,000
	Goods in Transit	
13	Load Limit	50,000
	Group Personal Accident - 24 Hours	
14	Councilors	43
15	Death Benefit	500,000
	Councilors Special Risk Cover (per Gazette 46470)	
16	Loss - Damage to Councilors property and assets **	51 750 000
	** Residential Property R1.5M and Vehicles R750K per Councilor (23)	
17	Death and disability (estimated 23 Councilors)	Two times total annual remuneration - Estimated total R 26 100 445
	Stated Benefits	
18	Estimated annual earnings for employees	227 616 449
19	Death	4 x Annual basic earnings
20	Permanent disability	Percentage of death benefit
21	Temporal total disablement	R3500 per week up to 52 weeks
	Electronic Equipment	
22	Specified Equipment	10,445,559
	Machinery	
23	Specified Equipment - Limit	12,960,000
	Motor Vehicles	
24	92 Vehicles on fleet listing. 74 of Which has cost price greater than that of R 500 000.00. Inclusive of vehicles used as part of the leadership fleet. Numbers subject to change Provision of loan vehicles equivalent to damaged or stolen vehicle would be required for up to 30 days in the event of a claim.	100,000,000
	Liabilities	
25	Public Liability	200,000,000
26	Employers Liability / Professional Liability	10,000,000
27	Motor Third party Liability	10,000,000
	Contractor All Risk (PCI)	
28	Included in cover in contracts less than R20 M Cover for contracts greater than R 20M to be taken by Contractors SASRIA	20,000,000
29	SASRIA COVER TO BE INCLUDED IN ALL SUB ITEMS WHERE APLLICABLE Excess Of Loss - attached	

5.5.1. FIDELITY GUARANTEE

To cover direct financial loss due to acts of fraud, forgery, alteration, robbery and safe burglary, computer fraud or dishonestly by employees resulting in dishonest personal financial gain.

5.5.2. DIRECTORS

To protect the claim made against the directors of King Cetshwayo District Municipality, for an example, if a director ceases to operate and there are outstanding obligations from the third parties.

5.5.3. TRAVEL

To cover for the councilors or employees of King Cetshwayo District Municipality whilst travelling on international and/or local journeys for business purposes. This should include but not limited to medical and related expenses as a result of illness or injury or liability.

5.5.4. PUBLIC EVENTS

A cover that indemnifies the council for damages which the council (as an event organizer), shall become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person or accidental loss or physical damage to occurring within the territorial limits during the period of insurance in the course of or in connection with the event.

5.5.5. MONEY

The municipality has six (6) offices situated throughout the district that collect cash for the payment of municipal services. The cash is collected daily at the busy offices and every second day at the less busy offices. The cash is collected by suitably qualified cash in transit companies. The daily cash holding is approximately R 50 000. There will be instances where municipal officials will be required to carry cash and as such this must be included in the cover.

5.5.6. GOODS IN TRANSIT

The municipality has many plumbers, technical and other staff that are required to keep/carry and deliver minor goods to sites.

5.5.7. PCI

All construction projects to the value of R 20M will be covered. Projects in excess of R 20M will be covered by the individual contractors.

5.5.8. ADMINISTRATION OF CLAIMS (NON MOTOR)

Activity	Time frame
Acknowledge receipt of claim forms and confirm registration of claims in writing (via email) to KCDM	within 3 (three) working days after receipt of the notification of the incident.
If the claim is accepted by the Insurer an Agreement of Loss will be generated and forwarded to the Insurance Section	within 3 (three) working days after receipt of all the applicable documentation and claim has been accepted by the Insurer. Proof to be included with AOL
In cases where no Agreement of Loss is applicable, forward an authorization letter to the Insurance Section	within 7 (seven) days after receipt of all the applicable documentation and claim has been accepted by the Insurer.
Respond to all follow-ups/ inquiries from KCDM	within 24 hours.
Management reporting taking into consideration identification of bottlenecks claims and tracking problem claims amongst others; Reports must be provided on a monthly basis,	before the 3rd working day of the following month, in respect of all claims outstanding, detailing the progress with an indication of the outstanding information in order to finalise the claim.

5.5.9. ADMINISTRATION OF CLAIMS (MOTOR)

Activity	Time frame
Register the claim	2 Working days after receiving the request
Appoint and assessor for the vehicle after receiving all required documents	5 Working days
Authorise vehicle repairs after assessment	5 working days
Settle written-off vehicle	30 days from day of the vehicle is declared uneconomical to repair

5.5.10. PROVISION OF CAR HIRE SERVICES FOR THE MAYOR , DEPUTY MAYOR AND SPEAKER

Provision of car-hire services for the Mayor, Deputy Mayor and Speaker must be made, like for-like, in accordance with the Municipal vehicle as allocated to the said leadership at the time of loss, or damage or the vehicle. Car hire for a period of 30 days.

FORM OF TENDER
6. Pricing

NO	DETAIL	MAX EXCESS CHARGED PER LOSS	PERCENTAGE	PREMIUM EXCL VAT
		R	%	
1.	HOUSE OWNERS			
2.	GLASS			
3.	ACCIDENTAL DAMAGE			
4.	FIRE			
5.	BUILDING COMBINED			
6.	OFFICE CONTENTS			
7.	BUSINESS INTERRUPTION			
8.	THEFT			
9.	MONEY			
10.	GOODS IN TRANSIT			
11.	BUSINESS ALL RISK			
12.	MOTOR THIRD PARTY LIABILITY			
13.	PUBLIC LIABILITY			
14.	EMPLOYERS LIABILITY			
15.	STATED BENEFITS			
16.	PROFESSIONAL INDEMNITY / FIDELITY			
17.	MOTOR FLEET			
18.	ELECTRONIC EQUIPMENT			
19.	PLANT AND MACHINERY BREAKDOWN			
20.	COVER FOR COUNCILLORS PER YEARLY GAZETTE			
21.	CONTRACTORS ALL RISK			
22.	LOSSES THROUGH CYBER CRIME			
23.	SASRIA	n/a	n/a	
24.	GROUP PERSONAL ACCIDENT			
25.	BROKERS FEES			
	TOTAL EXCL VAT			R
	DISCOUNT OFFERED			R
	VAT			R
	TOTAL INCL DISCOUNT & VAT			R

TOTAL:

R_____ Annual premium excl vat

Amount in words

Discount offered: _____ %

Discount offered in words: _____

R_____ Annual premium excl vat and discount offered

Amount in words

Escalation

Contractual escalation year 2:

**Contractual escalation in
words:_____**

Contractual escalation year 3:

**Contractual escalation in
words:_____**

NB: All prices to exclude value added tax.

Name: _____

Signature: _____

Date: _____

FORM OF OFFER

TENDER: KCDM/28/2023

NOTE: THE FORM OF OFFER MUST BE COMPLETED CORRECTLY, SIGNED AND WITNESSED. FAILURE TO COMPLY WILL MEAN THAT NO OFFER HAS BEEN MADE AND THE TENDER MAY NOT BE FURTHER EVALUATED.

ACCEPTANCE

By signing this part of this form of offer and acceptance, the Municipality identified below accepts the tenderers offer. In consideration thereof, the Municipality shall pay the contractor the amount due. Acceptance of the tenderers offer shall form an agreement between the Municipality and the tenderer upon the terms and conditions contained in this contract that is the subject of this agreement.

The terms of the contract, are contained in section "D" of this document (NT Conditions of contract) as well as any special conditions (if any)

The tenderer shall within two weeks after receiving a completed copy of this agreement, including the schedule of deviations (if any), contact the Municipality to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of this document. Failure to fulfill any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the tenderer (now contractor) within five working days of the date of such receipt notifies the Municipality in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

Signed at

For the King Cetshwayo District Municipality

Signature Date

Name Capacity

Witness:

.

Name

Signature

Date

And

For the Contractor/ Service provider

Signature Date

Name Capacity

Witness:

Name

Signature

Date

MBD 6.1

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

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

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

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

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) & \text{or} & P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) \end{array}$$

Where

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

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

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

SERVICE PROVIDERS TO COMPLETE SECTION E TO CLAIM POINTS FOR SPECIFIC GOALS

A	B	C	D	E
The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
AN EME OR QSE WHICH IS AT LEAST 100% OWNED BY BLACK PEOPLE;		10		
BBBEE LEVEL 1		10		

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
☐ One-person business/sole propriety
☐ Close corporation
☐ Public Company
☐ Personal Liability Company
☐ (Pty) Limited
☐ Non-Profit Company
☐ State Owned Company
 [TICK APPLICABLE BOX]

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

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

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

The RDP and specific goals preference points shall be calculated in line with the tables below:

SUMMARY TABLE FOR CALCULATION OF PRERERENTIAL POINTS FOR SPECIFIC GOALS				
			<R50 Million	>R50 Million
NO	Categories	Weight	80 20	90 10
1	Ownership Goals	50%	10	5
2	Empowerment Goals	20%	4	2
3	Reconstruction & Development Programme Goals	20%	4	2
4	Other Goals (Specify)	10%	2	1
		100%	20	10

SPECIFIC GOAL NO.1-OWNERSHIP CATEGORY

#	Specific Goal(s)	Weight	80 20 PP	90 10 PP	Verification
	Ownership Categories :				
1	EME and QSE				
	1. an EME or QSE which is at least 100% owned by black people;	100%	10	5	Sworn Affidavit - QSE/EME General
	2. an EME or QSE which is at least 51% owned by black people;	60%	6	3	Sworn Affidavit - QSE/EME General
	3. an EME or QSE which is at 25% - 50% owned by black people;	20%	2	1	Sworn Affidavit - QSE/EME General
2	Broad Based Black Economic Empowerment :				
	BBBEE Level 1	100%	10	5	BBBEE Certificate
	BBBEE Level 2	60%	6	3	BBBEE Certificate
	BBBEE Level 3 & Below	20%	2	1	BBBEE Certificate
3	Ownership %				
a)	Women Ownership(*Must be South African)				
	ownership - 100% : Black (Youth , Women , Disabled People	100%	10	5	ID Copies : Directors Co. Registration CSD Shareholders Certificate
	ownership - > 51% : Black (Youth , Women , Disabled People	80%	8	4	ID Copies : Directors Co. Registration CSD Shareholders Certificate
	ownership - 25% - 50% : Black (Youth , Women , Disabled People	40%	4	2	ID Copies : Directors Co. Registration CSD Shareholders Certificate
	ownership - 100% : White (Youth , Women , Disabled People	20%	2	1	ID Copies : Directors Co. Registration CSD Shareholders Certificate
b)	Men Ownership(*Must be South African)				
	Men ownership - 100% : Black (Youth , Men , Disabled People	80%	8	4	ID Copies : Directors Co. Registration CSD Shareholders Certificate

	Men ownership - > 51% : Black (Youth , Men , Disabled People	40%	4	2	ID Copies : Directors Co. Registration CSD Shareholders Certificate
	Men ownership - 25% - 50% : Black (Youth , Men , Disabled People	20%	2	1	ID Copies : Directors Co. Registration CSD Shareholders Certificate
4	Youth Development : (Below 35 Years)				
	Youth ownership - 100% : Black	100%	10	5	ID Copies : Directors Co. Registration CSD Shareholders Certificate
	Youth ownership - > 51% : Black	80%	8	4	ID Copies : Directors Co. Registration CSD Shareholders Certificate
	Youth ownership - 25% - 50% : Black	40%	4	2	ID Copies : Directors Co. Registration CSD Shareholders Certificate
	Youth ownership - 100% : White	20%	2	1	ID Copies : Directors Co. Registration CSD Shareholders Certificate

SPECIFIC GOAL NO.2 –EMPOWERMENT CATEGORY

#	Specific Goal(s)	Weight	80 20	90 10	Verification
	Sub-Contracting :				
1	EME and QSE				
	1. an EME or QSE which is at least 100% owned by black people;	100%	4	2	Sworn Affidavit - QSE/EME General
	2. an EME or QSE which is at least 51% owned by black people;	50%	2	1	Sworn Affidavit - QSE/EME General
	3. an EME or QSE which is at 25% - 50% owned by black people;	25%	1	0,5	Sworn Affidavit - QSE/EME General
2	Local Economic Development Sub-Contracting (10%-30%) and 40 % where it is technically possible and subject to pre-approval.				
	1. Enterprise 100% owned by Youth	100%	4	2	ID Copies : Directors Co. Registration CSD Shareholders Certificate
	1. Enterprise 100% owned by Disabled People	100%	4	2	ID Copies : Directors Co. Registration CSD Shareholders Certificate
	1. Enterprise 100% owned by Women	100%	4	2	ID Copies : Directors Co. Registration CSD Shareholders Certificate
	2. Enterprise owned by Black People with CIDB Grading 4 or Less	100%	4	2	ID Copies : Directors Co. Registration CSD Shareholders Certificate
	3. Enterprise 100% owned	100%	4	2	ID Copies : Directors Co. Registration CSD Shareholders Certificate
	3. Enterprise owned by Black Men with at least 51%	50%	2	1	ID Copies : Directors Co. Registration CSD Shareholders Certificate

SPECIFIC GOAL NO 3- RDP CATEGORY

#	Specific Goal(s)	Weight	80 20 PP	90 10 PP	Verification
	Reconstruction and Development :				
1	Promotion of Local Business(s)				
	1. Enterprise Located within the District Municipality – Rural	100%	4	2	Utilities : Directors or Co. Affidavit Existing Lease Agreement /councilor or Induna letters
	2. Enterprise Located within the District Municipality – Urban	50%	2	1	Utilities : Directors or Co. Affidavit Existing Lease Agreement
	2. Enterprise Located within the Province	25%	1	0,5	Utilities : Directors or Co. Affidavit Existing Lease Agreement
2	SMME Development (EME and QSE)				
	1. an EME or QSE which is at least 100% owned by black people;	100%	4	2	Sworn Affidavit - QSE/EME General
	2. an EME or QSE which is at least 51% owned by black people;	50%	2	1	Sworn Affidavit - QSE/EME General
	3. an EME or QSE which is at 25% - 50% owned by black people;	25%	1	0,5	Sworn Affidavit - QSE/EME General
3.	Job Creation and Community upliftment				
	1.Community upliftment project (e.g housing , schools ,infra donations etc) equal to at least 0.5% of project Value	100%	4	2	Bidder to propose
4	2. Creation of Jobs /Labour intensive activities	100%	4	2	Bidder to propose

SPECIFIC GOAL NO 4 – OTHER GOALS

#	Specific Goal(s)	Weight	80 20 PP	90 10 PP	Verification
	Other Categories :				
1	<i>Combination of any other goals</i>				
	User departments may combine any specific goals under categories 1,2 and 3 above in a manner that will help evaluate and apply preference points to the tender	100%	2	1	--Relevant Verification Documentation--

CONDITIONS OF TENDER

A. GENERAL

1. The lowest or any tender will not necessarily be accepted and King Cetshwayo District Municipality reserves the rights to accept the whole or any part of a tender.
2. The quantities called for in this tender are an estimated quantity and King Cetshwayo District Municipality reserves the right to take more or less than the quantity specified.
3. This contract will be governed by King Cetshwayo District Municipality “Conditions of TENDER” only and not any conditions supplied by the tenderer.
4. Full details of items offered and or drawings / pamphlets etc. must be supplied together with the return documents. All additional drawings/ pamphlets returned with the tender documents must be firmly bound and marked as “Additional” to the specific tender reference number.
5. All items offered on this tender must be new and of the latest design.
6. Only tenders on King Cetshwayo District Municipality official tender document will be accepted and the original document must be returned, fully completed by hand and signed, in the form presented. Failure to do so may invalidate such tender.

7. It must be clearly understood by the tenderer, that no order/s for such commodities or services required by the King Cetshwayo District Municipality will be recognized by the tenderer unless an King Cetshwayo District Municipality official order is issued and it is further understood that King Cetshwayo District Municipality will not accept responsibility for any payment to the tenderer unless the delivery notes and invoices for such goods or services quote the relevant order number and is sent to King Cetshwayo District Municipality, Financial Department, Private Bag X1025, RICHARDS BAY, 3900.
8. Should it be considered necessary by the tenderer that officials of King Cetshwayo District Municipality should proceed to other centers for inspection purposes, such costs shall be for the account of the tenderer.
9. Should it be considered necessary by the tenderer, in the interest of design, quality or inspection for whatever reason that King Cetshwayo District Municipality official should proceed to other centers for inspection purposes, such costs shall be for the account of the tenderer.
10. Only tenders received by 12h00 on the given closing date will be considered. No late tender by post, e-mail, fax, courier or delivered by hand will be accepted after this time.
11. No telegraphic, e-mail or faxed tenders will be accepted and all posted or tenders sent by couriers, must be clearly marked with the postal date and time.
12. ALL PRICES QUOTED MUST INCLUDE VALUE ADDED TAX AND MUST BE FIRM FOR A PERIOD OF (90) NINETY DAYS FROM CLOSING DATE OF THIS TENDER.
13. Service Providers tax status will be verified on CSD.

14. The use of correction fluid or correction tape on this document will invalidate your tender submission.
15. Price(s) quoted must be valid for at least ninety (90) days from date of offer for evaluation purposes. Thereafter, the prices will be fixed for a period of twelve months before escalation will be allowed.
16. Local Content declaration (MBD6.2) is only applicable when quoting on goods / services in the prescribed designated sectors.
17. The successful provider will be the one scoring the highest points on Section “B” as per the Preferential Procurement Policy Framework Act (No. 5 of 2000)
18. King Cetshwayo District Municipality reserves the right to remove (from the list of service providers) any supplier who fails to comply with the municipality’s specifications in terms of service delivery, such service provider will be held responsible for any costs incurred as a result of non-compliance.

B. DEMONSTRATIONS AND INSPECTIONS

1. All tenderers must be prepared to demonstrate where required, free of charge and obligation, at the King Cetshwayo District Municipality or any other area within the boundary of the King Cetshwayo District Municipality, any items offered in this tender.
2. Where officials are required to attend demonstrations or inspections outside the District Municipality boundary of Richards Bay, all costs to attend such demonstration must be borne by the tenderer.

C. DELIVERIES, COMPLETION AND PENALTIES

1. Delivery date to be negotiated on placing the order.
2. Tenderers shall furthermore note that goods or services will not be considered acceptable and consequently their obligations not fulfilled should goods or services fail to comply with the specifications in the tender document.
3. Where the supplier fails to deliver within the scope of the specifications of this tender, the Municipality reserves the right to obtain services from any other supplier that complies with the specifications and the tenderer will be held responsible for all costs involved.

D. PAYMENTS

1. Payment will be made within 30 days from statement invoice date subject to satisfactory execution of the contract conditions and provided that the statement/invoice is without error.
2. Tenders must clearly state all settlement and trade discounts.
3. Any additional payment for extra work carried out on a contract will only be made provided that the contractor is issued with a variation order by the procurement section of the King Cetshwayo District Municipality.

- 4 King Cetshwayo District Municipality hereby indemnifies itself from any claims whatsoever, which may arise as a result of loss of income suffered by the tenderer for any reason directly or indirectly during the course of this tender and King Cetshwayo District Municipality reserves the right to consider compensation at its own terms.

5. If you have submitted a tender or quotation, your tendered amount is deemed that it will not change. Should your VAT status change, the original tendered amount will be deemed to have included VAT.

NATIONAL TREASURY GENERAL CONDITIONS OF CONTRACT

**FOR NATIONAL TREASURY GENERAL CONDITIONS OF CONTRACT
PLEASE VISITS**

<http://www.treasury.gov.za/>

FORM OF ACCEPTANCE & DECLARATION

The Municipal Manager
King Cetshwayo District Municipality
Private Bag X1025
RICHARDS BAY
3900

I/We (To be completed)
(Representative or Company Name)

The undersigned, having examined the Specification, hereby offer to supply the Municipality with the requirements called for on the Municipality's Form of Tender and Specifications, "Form A" attached, in accordance with the conditions of this tender.

I/We further undertake that this offer shall not be retracted or withdrawn from the closing date of this tender up to the order date.

I/We further undertake, in the event of the acceptance of this tender, either wholly or in part, to enter into a formal contract, if required, and to provide one good and sufficient surety for the due fulfillment of the contract to the satisfaction of the Municipality.

I/We also agree:

- (a) that if the tender be accepted, the acceptance may be communicated to us by letter through the post and that in such case the Post Office shall be regarded as our agents and delivery of such acceptance to the Post Office shall be treated as delivery to us;
- (b) The Municipality chooses as its "domicilium citandi et executandi" for the purpose of the contract, the following address:

King Cetshwayo District Municipality
Prince Mangosuthu Buthelezi House
Private Bag X 1025
RICHARDS BAY 3900
- c) the law of South Africa will govern the contract created by acceptance of our tender and we agree to submit to the jurisdiction of the South African Courts;
- d) that if our tender be accepted by the Municipality either wholly or in part, and the acceptance be notified to us, we undertake to be bound by the term of the agreement constituted by our said tender and the acceptance thereof by the said Municipality, until a formal contract has been executed between us and the Municipality, and that if we are not required by the Municipality to execute such formal contract, we undertake to be bound by the terms of the agreement constituted by our said tender and the acceptance thereof by the said Municipality.

I/WE ALSO DECLARE THAT:

- 1) The information provided is true and correct;
- 2) The signatory to the tender document is duly authorized;
- 3) I/we are registered for Workman's Compensation and the valid certificate number of the workman's compensation commissioner's letter of good standing is provided. When applicable the option to submit an original or certified copy of the letter from the agent authorized by Workmen's Compensation Commissioner will be accepted

In the case where it is not possible for a tenderer to obtain the above letter of good standing from the workmen's compensation commissioner, an affidavit is to be submitted advising that the business has registered with the workmen's compensation commissioner.

In the case where a business does not employ any employees an affidavit together with a letter from the workmen's compensation commissioner addressed to the business, confirming that registration is not required, must be submitted.

- 4) Documentary proof regarding any tendering issue will, when required, be submitted to the satisfaction of the relevant organ of state;
- 5) A valid tax reference is provided;
- 6) My municipal rates and taxes are not older than three (3) months and the following is attached:

TENDERER IS PROPERTY OWNER FOR PURPOSES OF CONDUCTING BUSINESS FROM ITS PREMISES

Please select option by ticking below

A.1

In the case where the tenderer owns the property from which the tenderer's business operates from, a certified copy of the tenderer's business municipal account not older than three (3) months indicating the status of payment of all municipal rates and taxes i.e. property rates, electricity, water, refuse & sewer from the Municipality in which jurisdiction the said property is situated, must be submitted.

☐

OR

A.2. In the instance where the tenderer occupies Tribal land a certified affidavit from commissioner of oath, confirming that the tenderer is residing in the area where no municipal accounts are billed. If the property rates, electricity, water, refuse is charged by the municipality, the certified copy of the statement not older than three (3) months in the name of the tenderer or any of its directors must be attached

☐

NB:

Should there be separate tax invoices from the municipality for property rates and services (taxes), you are required to submit the most recent of each of these invoices

OR

B. TENDERER IS THE TENANT FOR PURPOSES OF CONDUCTING ITS BUSINESS FROM PREMISES.

B1. In the case where the tenderer does not own property and is a tenant for the purposes of its business establishment, the tenderer to provide a certified copy of a certificate from its landlord certifying that all the tenants payments in respect of all municipal rates and taxes i.e. property rates, electricity, water, refuse & sewer are paid up to date, or

☐

B2. In the case where the tenderer as tenant is responsible for its own municipal accounts with the municipality then tenderer must attach the letter from the landlord certifying the above together with a certified copies of all most recent relevant municipal invoices i.e. property rates, electricity, water refuse & sewer.

☐

B3. In the case where the tenderer operates in the property owned by relative and does not pay rent or rates, an affidavit from the relative confirming such must be attached. Also the up to date original or certified copy municipal rates statement of the relative must be attached or letter from the councilor in case of the Tribal Authority.

☐

B4. In case where the potential service provider is under incubation programme a certified copy of the letter from the incubator confirming that the service provider is using their facilities (property)

☐

**PAGE TO WHICH A CERTIFIED CERTIFICATE NUMBER OF THE
WORKMEN'S COMPENSATION COMMISSIONER LETTER OF
GOOD STANDING MUST BE ATTACHED.**

Please provide a certified certificate number of the Workmen's Compensation if registered with the department of labour, or attach valid original (or valid certified copy) of the Workmen's Compensation commissioner letter of good standing from applicable agencies e.g, FEM, RAM etc, if not registered with the department of labour.

Workmen's Compensation registration number: _____

Workmen's Compensation certificate number: _____

OR

In the case where it is not possible for an applicant to obtain the above letter of good standing from the Workmen's Compensation Commissioner, an affidavit is to be submitted advising that the business has registered with the Workmen's Compensation Commissioner.

OR

In the case where a business does not employ any employees an affidavit Together with a Letter from the Workmen's Compensation Commissioner addressed to the business, confirming that registration is not required, must be submitted.

**FAILURE TO DO SO MAY LEAD TO YOUR TENDER BEING
DISQUALIFIED.**

**PAGE TO WHICH THREE CERIFIED VERIFIABLE WRITTEN VALID
ORIGINAL / CERTIFIED COPIES OF REFERENCE LETTERS IN
THE FIELD OF MUNICIPAL INSURANCE / PUBLIC SECTOR
INSURANCE MUST BE ATTACHED.**

Please attach certified copy of three written verifiable reference letters in the field of municipal insurance cover/ public sector cover within the last three years to this page.

**FAILURE TO DO SO MAY LEAD TO YOUR TENDER BEING
DISQUALIFIED**

**PAGE TO WHICH A CERTIFIED COPY OF A PROFESSIONAL
INDEMNITY GUARANTEE FOR A MINIMUM OF R80 000 000
MUST BE ATTACHED**

Please attach a certified copy of your Professional Indemnity Guarantee to this page.

**FAILURE TO DO SO MAY LEAD TO YOUR TENDER BEING
DISQUALIFIED.**

**PAGE TO WHICH CERTIFIED COPY OF IGF GUARANTEE
CERTIFICATE MUST BE ATTACHED**

Please attach a certified copy of your IGF Guarantee Certificate to this page.

**FAILURE TO DO SO MAY LEAD TO YOUR TENDER BEING
DISQUALIFIED.**

**PAGE TO WHICH PROOF OF CERIFIED MEMBERSHIP TO SAFIA
MUST BE ATTACHED**

Please attach proof of your certified membership to South African Financial Intermediaries Association to this page – original or certified copy.

**FAILURE TO DO SO MAY LEAD TO YOUR TENDER BEING
DISQUALIFIED.**

**PAGE TO WHICH A CERTIFIED COPY OF THE FINANCIAL
SERVICES BOARD LICENCE MUST BE ATTACHED**

Please attach a certified copy of your Financial Services Board license to this page.

**FAILURE TO DO SO MAY LEAD TO YOUR TENDER BEING
DISQUALIFIED.**

DECLARATION OF TENDERER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Tendering Document must form part of all Tenders 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 Tender of any tenderer may be rejected if that tenderer, 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 Tender.

4.1	Is the tenderer or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (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 <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		

4.2	Is the tenderer 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 <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the tenderer 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:		
4.4	Does the tenderer 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 tenderer 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"/>
4.5.1	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.

.....
Signature

.....
Date

.....
Position

.....
Name of Tenderer

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, shareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

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

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

3.8.1 If yes, furnish particulars.

.....

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.

SECTION E

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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.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

MBD 9**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 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:

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

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

MBD 9**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

MBD 9

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
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.

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

MBD 9

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

ACCEPTANCE

NB:

- ♣ **FAILING TO ATTACH ANY OF THE DOCUMENTS SPECIFIED IN THIS TENDER DOCUMENT, OR FAILURE TO COMPLETE IN FULL THOSE SECTIONS REQUIRING COMPLETION, WILL INVALIDATE THE TENDER.**

FOR AND ON BEHALF OF

NAME OF COMPANY

ADDRESS

NAME OF TENDERER

SIGNATURE OF TENDERER

DATE