



BID DOCUMENTS

BID NO 08/2023-24

PANEL OF ADVERTISING AGENT FOR NONGOMA MUNICIPALITY FOR A PERIOD OF 36 MONTHS

CLOSING DATE: 07 DECEMBER 2023 @12H00

NAME OF BIDDER:

PHYSICAL ADDRESS:

.....

.....

TELEPHONE NO:

E-MAIL:

INVITATION FOR BID: ADVERTISING (NEWSPAPER)
BID NO: 08/2023-24

The Nongoma Local Municipality invites bids from suitable, qualified and experienced service providers for the placement of municipal advertisement on various newspapers for the period of three years, renewable yearly based on performance.

Completed tender documents must be in a sealed envelope clearly marked “**ADVERTISING AGENT**” and placed in tender box located at: **Nongoma Municipal Offices, LOT 103 MAIN STREET, Nongoma** by no later than **12h00 on 07 December 2023**. Documents will be opened in public. **Late, Telegraphic, faxed, Emailed or posted tenders will not be accepted.** Bidders must attach the following **mandatory returnable documents** in order to be considered for this bid:

- Valid tax Status pin.
- **Certified ID(s) copies** of company director(s) (**Not older than 3 months**)
- **Certified** Copy of company registration (**Not older than 3 months**)
- Company municipal rates, electricity or water account **not older than 3 Months**, proof of Residential lease or rental or sworn affidavit accompanied by proof of resident if the business operates at a place of residence.
- Completed and signed Municipal Bidding Document attached in the tender document.
- Registered on Central Supplier database (CSD).

Evaluation will be done on the following two-stages

Stage 1

Evaluation of functionality in terms of MFMA Circular 53. Only the service providers who achieve a minimum of 75% or 75 points of the total points will qualify for stage two of the Evaluation process.

The points for stage one will be allocated as follows:

| FUNCTIONALITY | POINTS |
|----------------------------------------|---------------|
| Proven Track Record | 30 |
| CVs and Qualification of Key personnel | 20 |
| Lead Time | 15 |
| Financial Viability | 15 |
| Methodology | 20 |
| Total | 100 |

Stage 2:

The 80/20 preferential point system will be applied, where 80 points will be allocated for price and 20 points for Specific goal

All Technical and SCM enquiries relating to this tender must be directed to **Mr. K Manqele Tel. Number: 035 831 7527/72** during office hours (8:00 - 15:00) weekdays. The Nongoma Municipality does not bind itself to accept the lowest or any tender and this tender will be valid for the period of 90 days after closing.

Mr. MM ZUNGU
MUNICIPAL MANAGER

THE PROJECT

Project Description

The Nongoma Local Municipality invites bids from suitable, qualified and experienced service providers for the placement of municipal advertisement on various newspapers for the period of three years, renewable yearly based on performance.

SPECIFICATION

The service provider will be responsible to book spaces on South African newspaper companies to place advertisement for the Municipality tender, vacant post advertising, publication of public notices as enforced by acts governing local government and marketing and promoting Municipality programs and projects. The service provider will be requested to quote on the following newspaper companies.

1. Sunday Times (National Newspaper)
2. Isolezwe
3. iLanga Newspaper
4. Regional Newspaper (Zululand observer)
5. City press newspaper
6. Mail and guardian newspaper
7. Daily sun newspaper
8. The Mercury newspaper
9. Sunday Tribune newspaper
10. Post newspaper
11. UmAfrica newspaper
12. The witness newspaper
13. Bayede newspaper

The service provider will also be responsible for editing and checking of grammar before sending the advertisement to the newspaper company for publication, for marketing and communication advertising. The service provider will also have to design the advertisement.

CONDITIONS OF BID AND INSTRUCTIONS TO BIDDER

Completed bidding documents must be in a sealed envelope clearly marked "**ADVERTISING AGENT**" and placed in the tender box at: **Nongoma Municipal Offices, LOT 103 MAIN STREET, Nongoma** by no later than **12h00** on **07 December 2023**. Documents will be opened in public. **Late, Telegraphic, telephonic, telex, email, facsimile and late tenders** will not be accepted.

Nongoma Local Municipality reserves the right to reject any or all Bids submitted, and to withdraw its decision to proceed with this undertaking at any time.

BID PERIOD

The Bids shall remain valid for 120 days from the final date for submission of Bids.

Nongoma Local Municipality shall notify the accepted Bidder, if any, of such acceptance by letter, written within the 90 days validity period or such extension of the Validity Period as mutually agreed to by Nongoma Local Municipality and Bidder and the said Bidder shall execute the formal contract within thirty (30) days of the said acceptance letter.

Nongoma Local Municipality shall not be bound to accept the lowest or any Bid nor to assign any reason for its acceptance or rejection of any Bid and in no case shall any Bidder be paid for any expense incurred in the preparation of a Bid.

REPRESENTATION OR INTERPRETATION OF DOCUMENT

Representation or interpretation of Invitation to Bid Documents shall be done in writing by the Nongoma Local Municipality's representative. If during the Bid period, the Nongoma Local Municipality makes any interpretation, clarification or change in the Invitation to Bid Documents, the Nongoma Local Municipality will issue a letter to all Bidders explaining the interpretation, clarification or change. The letters will be faxed to bidders and or emailed using the contact details provided by the bidders on their submitted bid documents and therefore the onus is on the bidder to ensure that correct contact details are being provided.

Responsive Bid Criteria

- **Valid** tax Status pin.
- **Certified ID(s) copies** of company director(s) (**not older than 3 Months**)
- **Certified Copy** company registration (**not older than 3 Months**)
- Company municipal rates, electricity or water account (**not older than 3 Months**), proof of Residential lease, rental or Municipal rates, electricity or water account of a place of residence plus an affidavit accompanied by proof of resident if the business operates in a place of residence.
- Completed and signed Municipal Bidding Document attached in the tender document.
- Listed on the Municipal Supplier database and or Central Supplier database.

EVALUATION SYSTEM

This bid will be evaluated in two stages

Stage 1: Functionality criteria will be used to allocate points to bidders as listed below. Bidders must obtain minimum of 70% of the total points in order to proceed stage two of the bidding process.

PROVEN TRACK RECORD (30 POINTS)

The bidder must submit a signed positive reference letter or completion letters (**traceable letters**) **not older than 5 years**, reflecting advertisement on newspaper or relevant projects. The letters should reflect company **client name, project period, value** and **contact details** for further verification. 06 points for each letter submitted.

CVs AND QUALIFICATION OF KEY PERSONNEL (20 POINTS)

The bidder must attach key personnel CVs and certified qualification (**Not older than 03 months**) Diploma (NQF6) in advertising, marketing or relevant qualification

| | |
|------------------------------------------------------------------------------------------|-----------|
| The bidder with 3 years' experience and above in advertising, marketing, public relation | 20 points |
| The bidder with 2 experience in the field will score | 10 points |
| The bidder with 1-year experience will score | 05 points |
| Non-submission | 00 points |

LEAD TIME (15 POINTS)

The bidder must mention the turnaround time once the order is issued

Points will be allocated as follows:

- | | |
|--------------------|-----------|
| • 2 days or less | 15 points |
| • 3 to 4 days | 10 points |
| • 4 days to 5 days | 05 points |

FINANCIAL VIABILITY (15 POINTS)

The bidder must submit Audited Annual Financial Statement prepared by professional accountant.

- | | |
|---------------------------|-----------|
| • Three years audited AFS | 15 points |
| • Two years audited AFS | 10 points |
| • One year audited AFS | 05 points |
| • Non-Submission | 00 points |

METHODOLOGY (20 POINTS)

The bidder must mention a well-defined methodology which include location of offices, availability or resources that will be used, which include the contact details of the bidders

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| • Well defined and realistic (detailed methodology showing all activities in a correct sequential order which include location of offices, availability or resources) | 20 points |
| • Moderately defined and realistic (not detailed but showing basic activities in a sequential order) | 10 points |
| • Poorly defined and unrealistic (methodology showing very minimum activities) | 05 points |
| • Non submission | 00 points |

Bidder fully acquainted with all his requirements

Submission of a Bid shall be deemed conclusive evidence that the Bidder is fully acquainted with and shall be fully responsible for any requirements, restrictions, constraints or any physical difficulties within or concerning Professional Services to

undertake the ADVERTISING (NEWSPAPER).

Professional Service Provider's representation

The Professional Service Provider shall designate a representative, in writing (letter for authority for signatory), duly empowering the said representative to bind the Professional Service Provider with regard to all matters involving the submission of the bid.

| | | | | | | | | | |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|--|------------------------------------------------------------------------------------|------------------|--------------------------------------------------------------------------|---------------|----------------------------------------------------------------------------------------|--|--|
| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE Nongoma municipality | | | | | | | | | |
| BID NUMBER: | 08/2023/24 | | CLOSING DATE: | 07 December 2023 | | CLOSING TIME: | 12H00 | | |
| DESCRIPTION | ADVERTISING AGENT FOR A PERIOD OF 36 MONTHS FOR NONGOMA MUNICIPALITY | | | | | | | | |
| THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7). | | | | | | | | | |
| BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS) | | | | | | | | | |
| NONGOMA LOCAL MUNICIPALITY | | | | | | | | | |
| LOT 103 MAIN ROAD | | | | | | | | | |
| NONGOMA | | | | | | | | | |
| 3950 | | | | | | | | | |
| 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: | | | OR | CSD No: | | |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX] | | | <input type="checkbox"/> Yes <input type="checkbox"/> No | | B-BBEE STATUS LEVEL SWORN AFFIDAVIT | | <input type="checkbox"/> Yes <input type="checkbox"/> No | | |
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED? | | | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF] | | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? | | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3] | | |
| TOTAL NUMBER OF ITEMS OFFERED | | | | | TOTAL BID PRICE | | R | | |
| SIGNATURE OF BIDDER | | | | | DATE | | | | |
| CAPACITY UNDER WHICH THIS BID IS SIGNED | | | | | | | | | |
| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO: | | | | | TECHNICAL INFORMATION MAY BE DIRECTED TO: | | | | |
| DEPARTMENT | | | SCM Unit | | CONTACT PERSON | | | | |
| CONTACT PERSON | | | Mr K Mangele | | TELEPHONE NUMBER | | | | |
| TELEPHONE NUMBER | | | 035 831 7527 | | FACSIMILE NUMBER | | | | |
| FACSIMILE NUMBER | | | 035 831 3152 | | E-MAIL ADDRESS | | | | |
| E-MAIL ADDRESS | | | | | | | | | |

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, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS AND ARE REQUIRED TO SUBMIT VALID TAX Status pin.
- 2.2 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

**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:

MBD 4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
1. 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 positioning 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 number sand state employee numbers must be indicated in paragraph 4 below.

3.8 Are you or any Directors/trustees/shareholders/ members presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars.....

.....

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

(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

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

3.9 Have you been in the service of the state 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**

3.10.1If 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**

3.11.1If 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**

3.13.1If 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:

.....
.....

Full details of directors / trustees / members / shareholders.

| Full Name | Identity Number | Are you employed by National/ Provincial/ Local Government? YES/NO | If YES, please give details |
|-----------|-----------------|--------------------------------------------------------------------|-----------------------------|
| | | | |
| | | | |
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I duly confirm that the above information is correct until otherwise advised in writing and the company undertakes to immediately, in writing on same day of appointment, advise the Nongoma Municipality immediately if any of its directors/trustees/ members/shareholders assumes appointment as an employee in national, provincial and/or local government and the company will deregister from the Nongoma Municipality Supplier Database and cease forthwith from doing business with the Nongoma Municipality and the company shall be subject to a penalty of forfeiting all payments for services rendered or products delivered or installed if it fails to immediately disclose in writing the employment of any of its directors/trustees/ members/shareholders in national, provincial and/or local government.

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

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

(delete whichever is not applicable for this tender).

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

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

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

1.4 To be completed by the organ of state:

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

| | POINTS |
|------------------------------------------|--------|
| PRICE | 80 |
| SPECIFIC GOAL | 20 |
| Total points for Price and Specific goal | 100 |

1.6 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.

1.7 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:

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \\ \mathbf{Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} \end{array}$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

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

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

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

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

| The specific goals allocated points in terms of this tender | Number of points allocated (90/10 system) (To be completed by the organ of state) | Number of points allocated (80/20 system) (To be completed by the organ of state) | Number of points claimed (90/10 system) (To be completed by the tenderer) | Number of points claimed (80/20 system) (To be completed by the tenderer) |
|----------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Promotion of enterprises of which its origin is within Nongoma | | 10 | | |
| Promotion of black owned enterprise | | 10 | | |
| | | | | |
| | | | | |
| TOTAL | | 20 | | |

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:

MBD 7.1

CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT):.....

CAPACITY:

SIGNATURE :

NAME OF FIRM:

DATE:

WITNESSES

1

2

DATE:.....

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I.....in my capacity
as.....accept your bid under reference number
.....dated.....for the rendering of services indicated hereunder
and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

| DESCRIPTION OF SERVICE | PRICE (ALL APPLICABLE TAXES INCLUDED) | COMPLETION DATE | B-BBEE STATUS LEVEL OF CONTRIBUTION | MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable) |
|------------------------|---------------------------------------|-----------------|-------------------------------------|--------------------------------------------------------------------|
| | | | | |

4. I confirm that I am duly authorised to sign this contract.

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

| |
|--|
| |
|--|

WITNESSES

1

2

DATE:

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1. This Municipal Bidding Document must form part of all bids invited.

| ITEM | QUESTION | YES | NO |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------------------|
| 4.1 | <p>Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the audit alteram partem rule was applied).</p> <p>The database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p> | Yes <input type="checkbox"/> | No <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 Bid Defaulters in terms of section 29 of the Prevention and Combating of Corruption Activities Act (No 12 of 2004)?</p> <p>(The Register for Bid Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p> | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4.2.1 | If so, furnish particulars: | | |
| ITEM | QUESTION | YES | NO |
| 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: | | |
| 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 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"/> |
| 4.5.1 | If so, furnish particulars: | | |

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|--|--|
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|--|--|
1. 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 to combat the abuse of the supply chain management system.
 2. **The bid of any bidder may be rejected if the bidder, or any of its directors have:**
 - a) Abused the Municipality's Supply Chain Management System or committed any improper conduct in relation to such system:
 - b) Been convicted for fraud or corruption during the past five years:
 - c) Wilfully neglected, reneged or failed to comply with any government, municipal or public sector contract during the past five years; or
 - d) Been listed in the Register for Bid Defaulters in terms of section 29 of the Prevention and Combating of Corruption Activities Act (No 12 of 2004).
 3. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

CERTIFICATION

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

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

Signature

Date

Position

Name of Bidder

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 *per 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.

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.

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 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.
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