

KZN GROWTH FUND TRUST
REQUEST FOR PROPOSAL (RFP)
RFP REFERENCE NUMBER – KGFT RFP 2022-21
PROVISIONING OF ANTI-FRAUD AND CORRUPTION HOTLINE SERVICES

Closing date : 21 October 2022

Time : 12:00

Submission format : email accounts@kzngf.co.za

Name of the respondent:

Late bids will not be accepted

BID DETAILS

Bid title : Request for Proposals for the Provisioning of Anti-Fraud
And Corruption Hotline Services for the KGFT

Procurement Reference Number : KGFT - RFP 2022/21

Description of Goods & Services : Anti-Fraud and Corruption Hotline Services for the KGFT

Date of RFP : 07 October 2022

Date of RFP CLOSING : 21 October 2022

CONTACT INFORMATION

Any enquiries regarding the bidding procedure may be directed to:

Procurement Officer: Sijabulile Ntshangase

Telephone: 031 372 3720

E-mail: accounts@kzngf.co.za

BIDDER'S DETAILS

NAME OF BIDDER.....

POSTAL ADDRESS

STREET ADDRESS

CONTACT PERSON

TELEPHONE NUMBER Code Number

CELL PHONE NUMBER Code Number

FACSIMILE NUMBER Code Number

E-MAIL ADDRESS

Signature of Bidder Date

1. PURPOSE

The Kwazulu-Natal Growth Fund Trust (KGFT) invites proposals from suitably qualified service providers for the provisioning of Anti-Fraud and Corruption Hotline Services for the KGFT for a period of 24 (twenty-four) months

2. BACKGROUND

KZN Growth Fund Trust (KGFT) is a Trust, established and capitalised by the Provincial Government to provide debt and equity. The main objective of the KGFT is to provide support for creating and enabling environment for activities that create jobs and accelerate the economic development of KZN whilst promoting Broad Based Black Economic Empowerment (B-BBEE).

2.1 Procurement Philosophy

It is the policy of KGFT, when purchasing goods and obtaining services to follow a course of optimum value and efficiency by adopting best purchasing practices in supply chain management, ensuring that open and fair competition has prevailed, with due regard being given to the importance of:

- a) The promotion, development and support of businesses from disadvantaged communities (small, medium, micro enterprises, as well as established businesses within those communities) in terms of its BEE Policy;
- b) The promotion of national and regional local service providers and agents before considering overseas service providers and;
- c) The development, promotion and support for the moral values that underpin the above, in terms of KGFT Business Ethics and Guidelines which requires that all commercial conduct be based on ethical and moral values and sound business practice. This value system governs all commercial behaviour within KGFT.

The KGFT wishes to engage with service providers who are equally committed to maintain high quality services and better pricing

3. SCOPE OF SERVICES REQUIRED

Kwazulu-Natal Growth Fund Trust (KGFT) requires a service provider to offer 24/7 ethics and corruption hotline services in respect of any unlawful activities occurring within the organisation's business structures, including but not restricted to irregularities, fraud, theft, bribery and any other unlawful or dishonest activities of whatever nature perpetrated by the employee or the agent which activities directly or indirectly have detrimental effect on the organisation. The hotline should also be available to the general public/tourists, employees, contractors, suppliers and other interested parties to report on any possible misconduct that directly or indirectly have detrimental effect on the organisation

4. PROJECT PURPOSE AND OBJECTIVES

The KGFT has a staff complement of approximately 45. The overall objective of this project is for KGFT to have an independent and effective Anti-Fraud and Corruption Hotline service that will act as a fraud prevention, deterrent and detection tool in its quest to combat fraud and corruption.

The specific objectives of this service therefore will include:

- 4.1 Provide a 24/7 hour hotline in all 11 official languages of South Africa;
- 4.2 A Fraud Hotline service to be used to report incidences of fraud and corruption available to the whistle blower using innovative technology, for example: Free call number; Fax and/or Fax to mail, email facility, short message services (sms) etc.
- 4.3 Callers guaranteed anonymity / Anonymous Reporting
- 4.4 Signage and stickers to publicise the reporting channels.
- 4.5 Monthly and incident reports.
- 4.6 Services must comply fully with the provisions of the Protected Disclosure Act (Act 26 of 2000) and the Companies Act (Act 71 of 1988)
- 4.7 Is certified to the External Whistle-blowing Hotline Service Provider Standard EO1.1.1 of the Ethics Institute of South Africa.
- 4.8 Is independent of KGFTs' external or internal auditors.
- 4.9 Has an experienced and dedicated management team with extensive experience.
- 4.10 Offers direct access to and frequent contact by top management.
- 4.11 The service operates 24 hours a day, 7 days a week, 365 days a year.
- 4.12 Has an effective technology solution including voice recording
- 4.13 Reports can be made using a unique 0800-FreeCall number, a unique e-mail address, via a website template, via SMS.
- 4.14 Offers a web-based system of sending reports.
- 4.15 Has a user-friendly module to assist in managing reports.
- 4.16 Provides a free digital awareness video to create awareness among staff.

4.17 The service provider must retain all documents, in its final form, relating to this contract for a period of 5 (five) years.

4.18 Provide monthly reports summarizing all calls received.

4.19 Assist KGFT in designing a logo and slogan for the internal awareness campaign.

4.20 The above should also include an emergency reporting mechanism.

4.21 Due to the size of KGFT and the wide range of services provided, some of the calls may be service delivery related. Therefore, the hotline services may receive calls non-related to fraud and corruption. It is therefore expected that the service provider should have the capacity to distinguish between the two types of calls and refer the service delivery calls to the identified/ designated office.

4.22 Ethics/ fraud surveys

5. IMPLEMENTATION PLAN

The Service Provider should submit to KGFT a detailed work plan and approach for sign off before any work takes place.

6. CONTRACT DURATION

The contract period is for twenty-four (24) months with an option to review for a further twelve (12) months subject to performance review.

7. CONFIDENTIALITY OF THIS INFORMATION

All the information contained in this document must be considered as confidential as per POPI Act 4 of 2013 as amended requirements. Bidders are requested not to copy or forward this document or part thereof to any third party for any purpose other than to prepare for the response of this tender invitation.

The successful bidder will be required to enter into a non-disclosure agreement with KGFT.

8. AWARD OF THE RFP

KGFT is not obliged to accept and award this tender to the lowest bidder or any other bidder.

9. EVALUATION PROCESS AND CRITERIA

Selection will be conducted over three stages as detailed below:

Stage 1 - Compliance with Minimum Requirements

Stage 2 - Functionality

Stage 3 – Price and BEE

9.1 STAGE 1 – COMPLIANCE WITH MINIMUM REQUIREMENTS

9.1 All proposals must be completed and accompanied by:

9.1.1 Company Profile

9.1.2 Letters of Reference (minimum 5 letters) Letters must be on a company letterhead, signed and dated.

9.1.3 Evidence of registration on the National Treasury Central Supplier Database (or proof of registration);

9.1.4 Tax Compliance Status Pin

9.1.5 Valid BEE Certificate (Level 1, 2 and 3)

9.1.6 Registered with Ethics Institute of South Africa

9.1.7 Certified to External Whistle-blowing Hotline Service Standard E01.1.1 of the Ethics Institute of South Africa

All bids duly lodged as specified in this RFP will be examined to determine compliance with the minimum requirements and conditions. **Failure to submit minimum requirements documents will disqualify the service provider from proceeding to the next evaluation stage.**

9.2 STAGE 2 – TECHNICAL AND FUNCTIONAL EVALUATION

Responses will be evaluated on the following basis:

- The evaluation criteria and weights for functionality are reflected in the table below: -

| FUNCTIONAL EVALUATION CRITERIA | Weight |
|--|-----------|
| <p>Previous Experience</p> <p>Bidders must demonstrate experience in having provided work of a similar nature, by means of a portfolio made up of at least 5 (Five) similar projects that have recently been completed or are currently in progress:</p> <p>The portfolio of evidence for each relevant project should detail the following as a minimum:</p> <p>I. Client name;</p> <p>II. Scope of work;</p> <p>III. Transaction values; and</p> <p>IV. Project Duration;</p> <p>5 (Five) points are allocated per similar project listed</p> | 15 |

| | |
|---|------------|
| <p>Reference Letters</p> <p>Five (5) References letters must be submitted with the Proposal from clients for current and/ or successfully completed projects of similar size, nature and value (must be within the last five (3) years).</p> <p>Reference letters to include the following: -</p> <ul style="list-style-type: none"> o Name of the client (for which the same or similar services were rendered within the last 3 years); o All letters must be on a letterhead / be stamped or signed by the client / Electronic signed letter / Client email confirmation with contact details i.e. telephone, email address; o Reference letters must only be for the scope of work detailed above. Letters that do not cover the scope of work <u>will be not be</u> considered; <p>Points will be allocated as follows</p> <ul style="list-style-type: none"> • 1 Letter – 5 points • 2 Letters – 10 points • 3 Letters – 15 points • 4 Letters – 20 points • 5 Letters – 25 points | 25 |
| <p>Human resources</p> <p>Extensive knowledge and experience in Anti-fraud and corruption, knowledge of Public Finance Management Act and Preferential Procurement Policy Act</p> <p>Less than 1 year to 2 year of experience - 5 points</p> <p>3 to 4 years of experience - 10 points</p> <p>5 to 6 years of experience - 20 points</p> <p>Over 7 years of experience - 30 points</p> | 30 |
| <p>Methodology and Approach</p> <p>Bidder must provide a detailed methodology and approach that will cover all the below</p> <ol style="list-style-type: none"> 1. The bidder must provide a clear, detailed, and defined methodology how the project will be executed: 2. Project plan outlining activities, milestone, and timelines: 3. Provide approach and project management plan from the start to the finalisation stage: <ul style="list-style-type: none"> • Methodology and approach outline all three of the elements = 30 • Methodology and approach outline two of the elements = 25 • Methodology and approach outline only one of the elements = 15 • Methodology does not speak to any of the elements = 0 | 30 |
| TOTAL | 100 |

Note: Failure to obtain the minimum of 70 out of 100 on functionality will result in disqualification from further evaluation.

9.3 STAGE 3 - PRICE AND B-BBEE EVALUATION

9.3.1 Proposals will be subject to an evaluation based on an 80/20 price / BBBEE allocation - 80 points for price and 20 points for B-BBEE status of contribution.

9.3.2 Fixed price is required; price must be inclusive of VAT and all costs relating to disbursements and accommodation. See **Annexure A**

| Evaluation | Maximum points to be awarded |
|---------------------------------------|------------------------------|
| Relative competitiveness of the price | 80 |
| B-BBEE* | 20 |
| Total Price and B-BBEE Points | 100 |

10. THE INFORMATION REQUIRED

You are and required to provide the KGFT with a proposal, by **no later than 12:00pm on Friday 21 October 2022**.

11. SUBMISSION DETAILS

- Submissions must be emailed to accounts@kznqf.co.za attention **Sijabulile Ntshangase** by no later than the stipulated time above.
- For queries, you can contact Lwazi Zondi accounts@kznqf.co.za during business hours of 8:00am to 4:30pm, Monday to Friday on 031 372 3720.

Approved by



Lwazi Zondi
Chief Financial Officer

PART A INVITATION TO BID

| | | | | | |
|---|--|---------------|--|--|--|
| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY) | | | | | |
| BID NUMBER: | RFP 20221/21 | CLOSING DATE: | 21 October 2022 | CLOSING TIME: | 12h00 |
| DESCRIPTION | Provision of Anti-Fraud and Corruption Hotline Services | | | | |
| BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS) | | | | | |
| accounts@kzngf.co.za | | | | | |
| | | | | | |
| | | | | | |
| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO | | | TECHNICAL ENQUIRIES MAY BE DIRECTED TO: | | |
| CONTACT PERSON | Sijabulile Ntshangase | | CONTACT PERSON | Nicolette Napier | |
| TELEPHONE NUMBER | 031 372 3720 | | TELEPHONE NUMBER | 031 372 3720 | |
| FACSIMILE NUMBER | | | FACSIMILE NUMBER | | |
| E-MAIL ADDRESS | accounts@kzngf.co.za | | E-MAIL ADDRESS | accounts@kzngf.co.za | |
| 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 | | | | | |
| SUPPLIER COMPLIANCE STATUS | TAX COMPLIANCE SYSTEM PIN: | | OR | CENTRAL SUPPLIER DATABASE No: | MAAA |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE | TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No | | B-BBEE STATUS LEVEL SWORN AFFIDAVIT | | (TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No |
| [A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE] | | | | | |
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED? | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF] | | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? | | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW] |
| QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS | | | | | |
| IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | |
| DOES THE ENTITY HAVE A BRANCH IN THE RSA? | | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | |
| DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? | | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | |
| DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? | | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | |
| IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? | | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | |
| IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW. | | | | | |

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 IN THE MANNER PRESCRIBED IN THE BID DOCUMENT. |
| 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT. |
| 1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7). |
| 2. TAX COMPLIANCE REQUIREMENTS |
| 2.1. BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS. |
| 2.2. BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS. |
| 2.3. APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA. |
| 2.4. BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID. |
| 2.5. IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER. |
| 2.6. WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED. |
| 2.7. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE." |

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
(Proof of authority must be submitted e.g. company resolution)

DATE:

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

| Full Name | Identity Number | Name of State institution |
|-----------|-----------------|---------------------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

- 2.2 Do you, or any person connected with the bidder, have a relationship

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

with any person who is employed by the procuring institution? YES/NO

2.2.1 If so, furnish particulars:

.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? YES/NO

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

I, _____ the _____ undersigned,
 (name)..... in
 submitting the accompanying bid, do hereby make the following
 statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 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 consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

² 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.

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.6 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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

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

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

1. GENERAL CONDITIONS

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

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

1.2

- a) The value of this bid is estimated to ~~exceed~~/not exceed R50 000 000 (all applicable taxes included) and therefore the ...80/20..... preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (~~delete whichever is not applicable for this tender~~).

1.3 Points for this bid shall be awarded for:

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

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

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

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

- (a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **"EME"** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **"functionality"** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **"price"** includes all applicable taxes less all unconditional discounts;
- (h) **"proof of B-BBEE status level of contributor"** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **"QSE"** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

4. POINTS AWARDED FOR PRICE

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

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

80/20

or

90/10

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

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\min} = Price of lowest acceptable bid

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

4.3 POINTS AWARDED FOR PRICE

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

80/20

or

90/10

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

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{\max} = Price of highest acceptable bid

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

5.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

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

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

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

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

8. SUB-CONTRACTING

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

(Tick applicable box)

| | | | |
|-----|--------------------------|----|--------------------------|
| YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

8.1.1 If yes, indicate:

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

(Tick applicable box)

| | | | |
|-----|--------------------------|----|--------------------------|
| YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

| Designated Group: An EME or QSE which is at last 51% owned by: | EME √ | QSE √ |
|---|----------|----------|
| Black people | | |
| Black people who are youth | | |
| Black people who are women | | |
| Black people with disabilities | | |
| Black people living in rural or underdeveloped areas or townships | | |
| Cooperative owned by black people | | |
| Black people who are military veterans | | |
| OR | | |
| Any EME | | |
| Any QSE | | |

9. DECLARATION WITH REGARD TO COMPANY/FIRM

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

9.2 VAT registration number:.....

9.3 Company registration number:.....

9.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

☐ (Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....
.....
.....
.....

9.6 COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provider

Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution.

WITNESSES

1.

2.

.....

SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS