

KZN GROWTH FUND TRUST

REQUEST FOR PROPOSALS (RFP)

RFP REFERENCE NUMBER – KGFT - RFP 2022/22

**REQUEST FOR PROPOSALS FOR THE IMPLEMENTATION OF AN INTEGRATED ENTERPRISE
RESOURCE PLANNING SYSTEM**

Closing date : 31 October 2022

Time : 11:00 am

Submission format : email accounts@kzngf.co.za

Name of the respondent:

Late bids will not be accepted

RFP DETAILS

RFP Title : Request for proposals for the implementation
of an Integrated Enterprise Resource Planning
system

Procurement Reference Number : KGFT - RFQ 2022/22

Description of Services : Implementation of an integrated Enterprise
Resource Planning system

Date of RFP : 10 October 2022

Date of RFP CLOSING : 31 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 purpose of this Request for Proposal (RFP) is to request proposals from qualifying service providers to provide the following:

- 1.1.1. Implementation of an integrated enterprise resource planning system,
- 1.1.2. Customisation where required, and
- 1.1.3. The system should be web based and secured.

2. BACKGROUND

KZN Growth Fund Trust (KGFT) is a fund, established and capitalised by the Provincial Government to provide debt and equity. The main objectives 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 WORK AND DELIVERABLES

KZN Growth Fund Trust (KGFT) is currently running its General Ledger and related modules through the Pastel Evolution system. The current system is proving to be unable to cater for the flexibility required for the ongoing customisation of functions in the modules as well as reporting requirements.

KGFT requires the services of a skilled service provider for the sourcing and implementation of an integrated Enterprise Resource Planning system. The system should be aligned to the KGFT's business processes requirements.

KGFT expects the service provider to perform the related professional services (eg best practices guidance, training, project management, implementation, integration and report customisation) in a timely and professional manner. Services should be provided by experienced ERP experts who have successfully implemented solutions with similar requirements for the modules in scope, including Financial Management, Supply Chain Management etc.

3.1 SCOPE OF WORK

3.1.1. System requirements

- The system should be cloud based and secured
- Set controls at the account (user) and field level
- Appropriately segregate duties with user roles

3.1.2. Financial Management

- Accounts Payable
- Accounts Receivable
- Budgeting / Forecasting
- Cash and Bank Management
- Fixed Assets
- General Ledger
- Inventory

Business Intelligence - including system generated monthly financial reports/statements with monthly/ annual budget and actual comparatives in various formats.

3.1.3. Fixed Assets

- Automated assets register
- Automated calculation of depreciation
- Capability to recalculate depreciation based on restated useful lives in line with IAS 16

- Reporting of assets nearing the end of their useful lives

3.1.4. Budget management

- Budget monitoring for all expenditure, capex, other assets and liabilities
- Reporting of monthly and annual expenditure against budgets
- Capability of cost centre budget owners to view their actual costs and budgets, and to provide comments on budget variances
- Reporting of consolidated comments on budget variances per the above bullet

3.1.5. Business Intelligence

- System generated monthly financial reports/statements with monthly/ annual budget and actual comparatives in various formats.
- BBBEE Report
- Deviation Report
- Requisition / Tender Register Status
- Contracts Register and commitments Schedule

3.1.6. Supply Chain Management

- Procurement
- Tender Management
- Travel Management
- Project Management
- Vendor Management
- Contract Management

3.1.6.1 Procurement

The system should be able to perform the following functions:

- Allow users to capture requisitions and upload their specifications (word)
- Approval of requisitions by delegated official
- Receiving of requisitions by the SCM unit
- Allocation of requisitions for Procurement
- Populate a list of potential service providers under the specific commodity/area (Database)
- Select potential suppliers to be utilized on that commodity and area
- Ability to rotate suppliers for Procurement
- Ability to upload the standard Requests for Quotations (RFQ) templates

- To generate system based RFQ's and send the RFQ's request to the selected service providers via the system
- Allowing users to upload and attach supporting documents e.g. quotations, Standard Bidding Documents (SBD) etc.
- Allow SCM officials to evaluate quotations and provide comments / recommendations
- Ability to verify and confirm available budget
- Allow end-user to reject / support / recommend
- Allow delegated official/s to approve the recommendation
- Allow SCM to create full detailed purchase orders (PO's) and send the approved PO's via the system.
- System should have an automated approval for all requested initiated via the system
- Requisition process tracking capabilities
- Approval of Purchase Order to be approved as per delegation of authority
- Allow SCM to create full detailed purchase orders (PO's) created from the approved requisition.
- The system should produce audit trail report of procurement process.

3.1.6.2 Tender Management

- Allowing users to upload and attach supporting documents e.g. terms of reference, Standard Bidding Documents (SBD) etc.
- Allow SCM officials to evaluate bids and provide comments / recommendations
- Ability to verify and confirm available budget
- Allow end-user to reject / support / recommend
- Allow delegated official/s to approve the recommendation
- Allow SCM to create full detailed purchase orders (PO's) and send the approved PO's via the system.
- System should have an automated approval for all requested initiated via the system
- Requisition process tracking capabilities
- Approval of Purchase Order to be approved as per delegation of authority
- Allow SCM to create full detailed purchase orders (PO's) created from the approved requisition.
- Allow SCM Officials to track the approval of Bid Specification / Bid Evaluation and Bid Adjudication Reports and Minutes
- The system should produce audit trail report of procurement process.

3.1.6.3 Travel Management

- System capability to capture travel requests and uploading of supporting documents for approval before the initiation of SCM procurement
- Integration of travel management module with general ledger and automatic update of staff debtors where advances have been paid
- Integration of Travel Management Company system with the ERP system

3.1.6.4 Project Management

- Project creation with work breakdown structure and network
- Project Accounting and Invoicing
- Project Cost Control
- Work Breakdown Structures (Receive and consolidate Costs and Revenue in WBS manner)
- Act as planning tool for project schedule
- Records management capabilities
- Project Management customisable reports capabilities
- Dashboard capabilities

3.1.6.5 Vendor Management

- System should have a capability for integration / interlinked with CSD
- System should allow SCM officials to capture and approve supplier's information on the database.
- System should be able to generate report for all suppliers with expired BBBEE Status and send notifications to suppliers
- System should be able to generate reports for all suppliers with non- tax compliant status and send notification to suppliers.
- System must validate supplier's information e.g. tax status, active / non active on CSD, blacklisted or restricted suppliers.

3.1.6.6 Contract Management

- System shall provide platform to upload all approved contracts and.
- The System shall have the capability to capture contracts amounts and track spending (payments) and reflect remaining amounts or commitments.
The System shall have the capability for contract end users to perform supplier's performance evaluation (within set timelines) and provide notifications to non-evaluated service providers.
- The system should be able to capture contract milestones and related amount allocations.
- Ability to amend contract changes (e.g. through Variations, Extensions etc.)

- The system should have the capability to generate an up to date contract register and commitments schedule.
- System shall provide platform to upload all approved contracts and.
- The System shall have the capability to capture contracts amounts and track spending (payments) and reflect remaining amounts or commitments.
- The System shall have the capability for contract end users to perform supplier's performance evaluation (within set timelines) and provide notifications to non-evaluated service providers.
- Ability to amend contract changes (e.g. through Variations, Extensions etc.)
- The system should have the capability to generate an up to date contract register and commitments schedule.

4. PROJECT TIMELINES

The project is envisaged to be fully implemented in Q4 of 2022/23 financial year.

5. EVALUATION PROCESS

Selection will be conducted over two stages:

Stage 1 – Compliance with minimum requirements

Stage 2 – Functionality evaluation criteria

Stage 3 – Price and BBBEE

6.1 Compliance with minimum requirements

All quotations must be accompanied by the following documents:

- 6.1.1 Company Profile;
- 6.1.2 Evidence of registration on the National Treasury Central Supplier Database (or proof of registration);
- 6.1.3 Tax Compliance Status Certificate
- 6.1.4 Valid BEE Certificate **(Level 1, 2 and 3 will only be considered)**
- 6.1.5 Provide three written letters of reference for similar work performed. Letters must not be older than 3 (three) years . Letters must be on company letterhead and must be signed and dated.

Failure to submit any of the above documents will disqualify the bidder from further evaluation

6.2 Functionality evaluation criteria

The following criteria and weights will be used to evaluate the bids for functionality.

Functionality criteria	Points
Bidders Experience Bidders must demonstrate a minimum of 5-year experience in having successfully developed and implemented an Enterprise resource planning system <ul style="list-style-type: none">• Non submission = 0• 5 to 7 years of experience = 10• Demonstrated more than 10 years of experience = 20	20
Demonstration for the proposed system <ul style="list-style-type: none">• Bidders are to perform a demonstration for the proposed Enterprise resource planning system and ensure that it is fully operational as per the proposed technical evaluation criteria. This demonstration will be conducted to the Bid Evaluation Committee	50
Project Team CV's of proposed team members/consultants which should highlight the relevant experience in similar project and qualifications <ul style="list-style-type: none">4 team Member or more with CV's and qualification = 103 team Member with CV's and qualifications = 82 team Members with CV's and qualifications = 64 team Members with CV's and no qualifications = 43 team Members with CV's and no qualifications = 22 team Members with CV's and no qualifications = 1	10

References Bidders should attach at least three (3) reference letters where systems were successfully implemented at other companies within the last 3 years. The letters must be on client letterheads, dated and signed by the client. Reference letters will only be considered valid if the following criteria is met: <ul style="list-style-type: none"> • On an official letterhead • For work conducted in within the last 3 years • Are signed and dated by the client 3 references = 20 2 references =15 1 reference = 10	20
TOTAL	100 points

Bidders must obtain a minimum threshold of 70 of the 100 points on Functionality to proceed to the next stages of the evaluation and adjudication process. Failure to obtain the minimum of 70 points will result in your bid being considered non-responsive.

6.3. Price and B-BBEE Evaluation

6.3.1 Pricing requirements must be inclusive of all applicable taxes (e.g VAT) and consideration should be given to the following:

6.3.1.1 Data migration costs from the current systems to the proposed systems.

6.3.1.2 Annual licence fees of a fully integrated enterprise resources planning system for a period of 5 years (with annual escalations included)

6.3.1.3 Costs and quality of ongoing maintenance and support of the ERP system must be provided.

6.3.2 Quotations 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.

6.3.3 Price must be fixed, inclusive of VAT and all costs relating to disbursements and accommodation.

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

6. SUBMISSION DEADLINE

You are requested and required to provide the KGFT with a quotation by **no later than 11:00am on 31 October 2022.**

7. SUBMISSION DETAILS

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

Approved by



Mr. 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:		KGFT – RFP 2022/22		CLOSING DATE: 31 October 2022		CLOSING TIME: 11am	
DESCRIPTION							
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)							
Accounts@kznqf.co.za							
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO				TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON		Sijabulile Ntshangase		CONTACT PERSON		Lwazi Zondi	
TELEPHONE NUMBER				TELEPHONE NUMBER			
FACSIMILE NUMBER				FACSIMILE NUMBER			
E-MAIL ADDRESS		accounts@kznqf.co.za		E-MAIL ADDRESS		accounts@kznqf.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]							
1 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]		2 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 institution	State

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

.....

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.

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 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

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.

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 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) certificate issued by an authorized body or person; B-BBEE Status level
 - 2) prescribed by the B-BBEE Codes of Good Practice; A sworn affidavit as
 - 3) requirement prescribed in terms of the B-BBEE Act; Any other
- (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:

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

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

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

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"/>
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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"/>
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- 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

.....
.....