Western Cape Government

DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING
REFERENCE: DEA&DP5/2026
ENQUIRIES: Donna Swartz
TEL: (021) 483 4471
Donna.Swartz@westerncape.gov.za
www.westerncape.gov.za/eadp

YOU ARE HEREBY INVITED TO BID FOR THE REQUIREMENTS OF THE WESTERN CAPE GOVERNMENT (WCG):
DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING

BID NUMBER: DEA&DP5/2026	CLOSING DATE: 27 October 2026	CLOSING TIME: 11h00

APPOINTMENT OF A SERVICE PROVIDER TO PREPARE A BUDGET FACILITY FOR INFRASTRUCTURE (BFI) FUNDING PROPOSAL APPLICATION FOR WASTE MANAGEMENT INFRASTRUCTURE FOR THE DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING, WESTERN CAPE GOVERNMENT.

The successful bidder will be required to complete and sign a written contract form (WCBD 7.1).

BID DOCUMENTS MUST BE POSTED TO:	**The Head: Supply Chain Management** **Department of Environmental Affairs and Development Planning** **Private Bag X9086** **Cape Town** **8000** Bidders need to ensure that their proposals are posted well in advance to reach the Department before the specified bid closure date and time since late bid documentation will not be considered.
OR	
DEPOSITED IN THE BID BOX SITUATED IN:	**Ground Floor Front Entrance** **Utilitas Building** **1 & 3 Dorp Street** **Cape Town** The bid box will be accessible every day for 24 hours until the specified bid closure date & time, late bid documentation will not be considered.

1. Please ensure that bids are delivered **to the correct address on time**. If the bid is late, it will not be accepted for consideration. If you are uncertain about the location of the bid box, please call the responsible official, Donna Swartz (021) 4834471, or email DEADP.SCMHelpdesk@westerncape.gov.za for assistance during office hours.

2. Please submit your bid on the official, **not re-typed** forms. Only original, signed documents will be considered. **Failure to complete and sign the bidding documents, certificates, questionnaires, and specification forms in all respects will invalidate the bid.**

3. Each bid must be deposited in a **sealed envelope** with the **name and address of the bidder, the bid number, and the closing date**. The envelope shall not contain documents related to any bid other that indicated on the envelope.

4. **All Bidders must be registered on the Central Supplier Database (CSD) at the time of bid closing.**

Any prospective **unregistered bidders** must register as a supplier on the **CSD** prior to bidding.

	Central Supplier Database
Self-registration	www.csd.gov.za ***(self-registration only)***

5. **Bidders already registered on the CSD** must have confirmation of their registration, by contacting www.csd.gov.za, AND ensure that their status is up to date prior to bidding.

6. **In instances where a bidder's tax compliance status cannot be verified or if a bidder's tax status is non-compliant on the CSD, the bidder will be afforded 7 working days to confirm tax compliance for the bid to be considered.**

7. Only the B-BBEE status reflected **on form WCBD 6.1 included in the bid document** will apply to the evaluation of the relevant formal bids and **not the B-BBEE status on CSD**. Bidders are further required to complete the attached **form WCBD 4 and include it in the Bid document.**

8. All other mandatory information held on CSD will be accepted by the Western Cape Department of Environmental Affairs and Development Planning for the consideration of formal bids.

9. This bid is subject to the General Conditions of Contract (GCC) and, if applicable, any other Special Conditions of Contract.

10. **The 80:20 Points System is applicable to this bid.**

11. Please refer to all technical/specification enquiries to Lance McBain-Charles/ Donna Swartz by email: DEADP.SCMHelpdesk@westerncape.gov.za

Digitally signed by Yorin Horniet (54809614)
Date: 2026.09.28 17:27:37 +02'00'

DIRECTOR: FINANCIAL MANAGEMENT (ACTING)
DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING
YORIN HORNIET
DATE

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PART A

INVITATION TO BID

ZERO-TOLERANCE TO FRAUD, THEFT AND CORRUPTION (ANTI-FRAUD, THEFT AND CORRUPTION)
THE WCG IS COMMITTED TO GOVERN ETHICALLY AND TO COMPLY FULLY WITH ANTI-FRAUD, THEFT AND CORRUPTION LAWS AND TO CONTINUOUSLY CONDUCT ITSELF WITH INTEGRITY AND WITH PROPER REGARD FOR ETHICAL PRACTICES.

THE WCG HAS A ZERO TOLERANCE APPROACH TO ACTS OF FRAUD, THEFT AND CORRUPTION BY ITS OFFICIALS AND ANY SERVICE PROVIDER CONDUCTING BUSINESS WITH THE WCG.

THE WCG EXPECTS ALL ITS OFFICIALS AND ANYONE ACTING ON ITS BEHALF TO COMPLY WITH THESE PRINCIPLES TO ACT IN THE BEST INTEREST OF THE WCG AND THE PUBLIC AT ALL TIMES.

THE WCG IS COMMITTED TO PROTECTING PUBLIC REVENUE, EXPENDITURE, ASSETS AND REPUTATION FROM ANY ATTEMPT BY ANY PERSON TO GAIN FINANCIAL OR OTHER BENEFIT IN AN UNLAWFUL, DISHONEST OR UNETHICAL MANNER.

INCIDENTS AND SUSPICIOUS ACTIVITIES WILL BE THOROUGHLY INVESTIGATED AND WHERE CRIMINAL ACTIVITY IS CONFIRMED, RESPONSIBLE PARTIES WILL BE PROSECUTED TO THE FULL EXTENT OF THE LAW.

<table>
<tr><td colspan="6">YOU ARE HEREBY INVITED TO BID FOR THE REQUIREMENTS OF THE DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING</td></tr>
<tr><td>BID NUMBER:</td><td>DEA&DP5/2026</td><td>CLOSING DATE:</td><td>27 October 2026</td><td>CLOSING TIME:</td><td>11H00am</td></tr>
<tr><td>DESCRIPTION</td><td colspan="5">APPOINTMENT OF A SERVICE PROVIDER TO PREPARE A BUDGET FACILITY FOR INFRASTRUCTURE (BFI) FUNDING PROPOSAL APPLICATION FOR WASTE MANAGEMENT INFRASTRUCTURE FOR THE DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING, WESTERN CAPE GOVERNMENT.</td></tr>
<tr><td colspan="6">BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT DEA&DP MAIN ENTRANCE</td></tr>
<tr><td colspan="6">ENTRANCE DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING</td></tr>
<tr><td colspan="6">1 & 3 DORP STREET, UTILITUS BUILDING</td></tr>
<tr><td colspan="6">CAPE TOWN</td></tr>
<tr><td colspan="6"></td></tr>
<tr><td colspan="3">BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</td><td colspan="3">TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</td></tr>
<tr><td>CONTACT PERSON</td><td colspan="2">Donna Swartz</td><td>CONTACT PERSON</td><td colspan="2">Lance McBain-Charles</td></tr>
<tr><td colspan="6">NOTE: ALL ENQUIRIES MUST BE MADE VIA EMAIL AND WILL BE RESPONDED TO VIA EMAIL.</td></tr>
<tr><td>E-MAIL ADDRESS</td><td colspan="2">DEADP.SCMHelpdesk@westerncape.gov.za</td><td>E-MAIL ADDRESS</td><td colspan="2">DEADP.SCMHelpdesk@westerncape.gov.za</td></tr>
<tr><td colspan="6">SUPPLIER INFORMATION</td></tr>
<tr><td>NAME OF BIDDER</td><td colspan="5"></td></tr>
<tr><td>POSTAL ADDRESS</td><td colspan="5"></td></tr>
<tr><td>STREET ADDRESS</td><td colspan="5"></td></tr>
<tr><td>TELEPHONE NUMBER</td><td>CODE</td><td></td><td>NUMBER</td><td colspan="2"></td></tr>
<tr><td>CELL PHONE NUMBER</td><td colspan="5"></td></tr>
<tr><td>E-MAIL ADDRESS</td><td colspan="5"></td></tr>
</table>

<table>
<tr><td>VAT REGISTRATION NUMBER</td><td colspan="7"></td></tr>
<tr><td>SUPPLIER COMPLIANCE STATUS</td><td>WCSEB No.</td><td></td><td>TCS Pin</td><td>AND</td><td>CSD No:</td><td>MAAA</td></tr>
</table>

B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	[TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] ☐ Yes ☐ No		
IF YES, WAS THE CERTIFICATE ISSUED BY A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)	[TICK APPLICABLE BOX] ☐ Yes ☐ No					
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs& QSEs) MUST BE SUBMITTED TOGETHER WITH A COMPLETED WCBD 6.1 FORM IN ORDER TO CLAIM PREFERENCE POINTS FOR B-BBEE]						

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐Yes ☐No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR **THE GOODS /SERVICES /WORKS OFFERED?**	☐Yes ☐No [If Yes, Answer **All** Questions Below]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS			
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			☐ YES ☐ NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			☐ YES ☐ NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			☐ YES ☐ NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			☐ YES ☐ NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			☐ YES ☐ NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 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, 2022, 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 (WCBD 7.1).**
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 THE STATE TO VIEW THE TAXPAYERS PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING THROUGH THE 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 AS MENTIONED IN 2.3 ABOVE AND 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 CLOSED 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: ……………………………………………

NAME AND SURNAME OF BIDDER: ……………………………………………

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

DATE: …………………………………………...

1. BID CONDITIONS

1.1 All the documentation stipulated below must be returned with the bid document. Bidders must note that some of the documents require completion by the bidder and that the Department of Environmental Affairs and Development Planning will ONLY accept duly completed bid document.

1.2 This document is official and may not be re-typed on forms. Only original, signed documents will be considered. Failure to complete and sign the bidding documents, required certificates or qualifications, questionnaires, and specification forms in all respects will invalidate your bid.

1.3 Standard Bid Forms and Related Documents - Checklist:

1.3.1 WCBD 1: INVITATION TO BID (PART A & B);

1.3.2 WCBD 3.1: PRICING SCHEDULE – FIRM PRICES;

1.3.3 WCBD 3.2: PRICE ADJUSTMENTS

1.3.4 WCBD 4: PROVINCIAL GOVERNMENT WESTERN CAPE DECLARATION OF INTERESTS, BIDDERS PAST SCM PRACTICES AND INDEPENDENT BID DETERMINATION

1.3.5 WCBD 6.1: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENCTIAL PROCUREMENT REGULATIONS 2022 AND IN TERMS OF THE WESTERN CAPE GOVERNMENT'S INTERIM STRATEGY AS IT RELATES TO PREFERENCE POINTS

1.3.6 General Conditions of Contract

1.4 Closing time of bids and provisions relating to submission of bids - Reminder

1.4.1 The closing time for the receipt of bids in response to this invitation to bid is detailed on the first page / cover page of this invitation to bid document.

1.4.2 All bids must be submitted in a sealed envelope bearing the bid number, bid description and closing date.

1.4.3 All bids must be received before the closing time and date stipulated above and must be posted to or deposited in the bid box at the address detailed on the cover page of this invitation to bid.

1.5 Pricing

1.5.1 Pricing must be stipulated inclusive of VAT (where the bidder is VAT registered).

1.5.2 Prices charged by the bidder for goods delivered and services performed under the contract shall not vary from the prices quoted by the bidder in this Tender.

1.5.3 The Bidder will be liable to take out forward cover to barricade him/her against fluctuation of the exchange rate in the event of importing any component, related to the tender, from a country dealing in currency other than that of South Africa.

1.5.4 The Pricing Schedule (WCBD 3.1) must be completed in all respects.

1.6 Validity

Bid documentation submitted by the bidder will be valid and open for acceptance for a period of 90 (ninety) calendar days from the closing date and time of the bid.

1.7 Enquiries:

Enquiries relating to this bid must be directed to the person/s whose details appear on the cover page of this bid invitation.

1.8 Right of discretion to accept a bid

The Department does not bind itself to accept either the lowest or any bid and reserves the right to accept the bid which it deems to be in the best interest of the State even if it implies a waiver by the Department of certain bid requirements which the Department considers to be of minor importance and not complied with by a bidder.

1.9 Date of Commencement of Service

The bidder will be required to start service as from the date mutually agreed upon by the Department.

1.10 Evaluation Methodology:

1.10.1 The bid will be evaluated in terms of the Bid Conditions, specification requirements of the bid and Preferential Procurement Points System.

1.10.2 A bid may be regarded as non-responsive if it fails to meet Bid compliance, Specification requirements and failing to provide any requested documentation.

1.10.3 Only the qualifying bids are evaluated further in terms of the 80/20 preference points system, where the 80 points is for price and the 20 points for Black Economic Empowerment points (BEE) status.

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

1.11 The bid will be awarded to the bidder scoring the highest points based on the price and B-BBEE points allocated.

1.12 Bidders will be required to submit an accredited B-BBEE certificate or sworn affidavit as evidence and in order to claim the points in respect of 20 points (80/20) and 10 points (90/10). Should a bidder fail to submit an accredited B-BBEE certificate or sworn affidavit, the bidder may only score points for price in terms of the 80/90 points. No points will be allocated for preference.

2. INSTRUCTIONS FOR COMPLETING BID DOCUMENTS

Bidders are advised to read all the pages of this tender document carefully and to comply fully with all requests for information and documentation. Please acknowledge that conditions have been read and understood in the 'Comply' column by responding with either a 'Yes' or 'No' entry. Bidders are required to:

Condition	Comply	
	Yes/No	Comments
1. Complete all the documents and forms provided in this bid invitation document.		
2. Supply all the requested information.		
3. The numbering system used in this bid SHALL be adhered to. If there are additional and/or alternative product options, every option/alternative proposal to an item SHALL be separately quoted, with a complete schedule, description, deviations from specifications, and technical brochures on each proposal.		
4. Submit the bid under the cover of a full table of contents referencing all the documents contained therein about the relevant page numbers.		
5. Confirm in writing that the copy submitted is a true and complete reproduction of the original and contains all the annexures submitted to the Department.		
6. The bidder is to complete the bid response document by stating in the block opposite each subsection whether the bidder will comply or will not comply with the specifications in that subsection.		
7. A response of "Noted" SHALL be interpreted as "Comply". In addition, an explanatory note MUST be provided in a separate document with a clear reference to the corresponding paragraph number or beneath each point in the bid document. The numbering in the bid document may not be altered.		
8. Items not completed in this manner SHALL be to the disadvantage of the bidder and, if excessive, SHALL lead to exclusion in the tender evaluation process.		

9. Bidders are permitted to submit video/cd/samples/product literature/catalogues to support their statements of competence and are to confirm that such are true and accurate reflections of the service/s which the bidder intends to provide.		
10. All additional supporting documentation that is submitted as part of this tender MUST be given a document number that is marked on each page of the document.		

DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING

THIS DOCUMENT SETS OUT THE TERMS OF REFERENCE: APPOINTMENT OF A SERVICE PROVIDER TO PREPARE A BUDGET FACILITY FOR INFRASTRUCTURE (BFI) FUNDING PROPOSAL APPLICATION FOR WASTE MANAGEMENT INFRASTRUCTURE FOR THE DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING, WESTERN CAPE GOVERNMENT.

BID NUMBER: DEA&DP5/2026

NAME OF BIDDING COMPANY……………………………………………………………………………………………

NAME OF SERVICE OFFERED………………………………………………………………………………………………

NAME OF BIDDER / CONTACT PERSON…………………………………………………………………………

CONTACT NUMBER………………………………………(w)……………………………………………… (cell)

NOTE: SHOULD THE ITEM OFFERED DEVIATE FROM ANY SPECIFIED REQUIREMENTS, FULL DETAILS OF SUCH DEVIATIONS MUST BE GIVEN. IN THE EVENT OF THE AVAILABLE SPACE BEING INSUFFICIENT, SUCH DETAILS MUST BE GIVEN ON A SEPARATE SHEET, INDICATING THE RELEVANT PARAGRAPH NUMBER IN THE SPECIFICATION.

ALL SECTIONS OF THIS BID DOCUMENT MUST BE COMPLETED IN FULL, WHERE RELEVANT. FAILURE TO REPLY TO ALL SECTIONS WILL RESULT IN THE OFFER NOT BEING CONSIDERED.

1. PURPOSE OF TERMS OF REFERENCE

To appoint a service provider to prepare a Budget Facility for Infrastructure Funding (BFI) proposal application for waste management infrastructure for the Department of Environmental Affairs and Development Planning, Western Cape Government and submit the application to the National Treasury for consideration.

2. INTRODUCTION AND BACKGROUND

The Western Cape is facing increasing pressure on its waste management infrastructure due to population growth, urbanisation, and rising waste generation. Many municipal landfills are approaching capacity, while others require significant improvements to meet compliance standards under the National Environmental Management: Waste Act 2008 as amended.

Recent Departmental and external audits have revealed that many shortcomings occur at waste management facilities, with the areas of concern being the lack of sufficient infrastructure, and the high rate of non-compliance of the environmental authorisation conditions etc.

Although the Western Cape Infrastructure Framework does not explicitly address waste management infrastructure but refers to infrastructure holistically through the application of Panoptic Principles, the need for waste infrastructure is recognised and this application would form part of the integrated infrastructure project pipeline.

The Western Cape Government Provincial Strategic Plan (PSP) outlines high-level priorities and goals for the provincial government to enhance residents' quality of life. It further promotes integration and collaboration across provincial departments, and a whole of society approach, to address complex challenges through transversal responses. This transversal response will thus involve the Department of Infrastructure, the Department of Local Government (D: LG), with DEA&DP being the lead department. A successful BFI application will address key outcomes of the Western Capes Government`s Strategic Priorities, namely Growth for Jobs(G4J) and Educated, Healthy and Caring Society (EHACS)". Infrastructure development, growth of the Green Economy and waste diversion are also addressed in the National Development Plan (NDP), and the latter is also a core component of the National Waste Management Strategy 2020 (NWMS), and the Provincial Western Cape Integrated Waste Management Plan (WC IWMP 2023-2027). To achieve this, waste must be diverted from landfill and made available as a resource to be recovered for reuse, recycling and potential waste to energy projects. An assessment and quantification of the municipal integrated waste management infrastructure needs was done in 2017 for the five district municipalities and 24 local municipalities by the Department.

The 2017 municipal integrated waste management infrastructure assessment study was updated by conducting a desk-top study in 2025 to reflect updated costs for the required infrastructure at waste facilities to be compliant with license and legislative requirements. This updated study was undertaken to be an informant for the Budget Facility for Infrastructure (BFI) application, as it will clearly identify the waste infrastructure required. The 2025 assessment update was also crucial for the Western Cape to improve waste diversion from landfills, by exploring alternative waste treatment and management technologies to drive improvement in waste services and to unlock the Waste Economy opportunities. In addition, there have been several law reforms since the initial study, especially around Extended Producer Responsibility (EPR) (2021), which also needed to be factored in.

The 2025 municipal integrated waste management infrastructure assessment study concluded that the cost for the required infrastructure updates for the five district municipalities and 24 local municipalities in the Western Cape would amount to approximately R3.1 billion.

The Department has resource constraints to submit a BFI application and therefore intends to utilise the skills of a service provider to prepare and apply for the BFI funding on behalf of the Department in the 2026/27 financial year to address the waste management infrastructure backlogs, with the aim of addressing many non-compliances that municipalities are experiencing at waste disposal facilities but do not have the financial resources for infrastructure in addressing these non-compliances. Infrastructure for addressing the diversion of waste from landfills will be strongly considered as part of the BFI application. The updated assessment report will thus be an important informant of both the required Primary Submission and Supporting Documentation (which are essential elements for the BFI submission to be considered).

At the same time, national policy direction from the Department of Forestry, Fisheries and the Environment (DFFE), through the NWMS (2020) and draft 2026 update, calls for a transition toward waste diversion, regionalisation, and a circular economy.

The proposed BFI project responds to these challenges by enabling the development of integrated waste management facilities. These facilities will improve economies of scale, increase waste diversion (particularly organic waste), improve public access, reduce reliance on landfill and enhance compliance with environmental standards.

The project is aligned with the 3rd Generation WC IWMP (2023 – 2027), and the waste management infrastructure would be a key focus of the 4th Generation WCIWMP (2027-2032) currently being developed for finalisation in 2027 and contributes to broader sustainability objectives, including the Sustainable Development Goals (SDGs).

Investment in integrated waste management infrastructure will deliver multiple benefits, including improved service delivery and public access, job creation, support for SMMEs, and reduced environmental impacts such as greenhouse gas emissions, illegal dumping and pollution.

Additionally, limited infrastructure undermines the potential of EPR as the EPR system is strongly reliant on infrastructure to ensure that collection, sorting and recycling can occur.

While EPR has been in existence for 5 years, the implementation thereof has been challenging.

The lack of infrastructure leads to limited support for SMMEs and PROs, where scaling operations, innovation and delivering services effectively are limited; and thus undermining the potential for a thriving circular economy. EPR accompanied by a significant and alternate infrastructure investment can lead to creating new value chains, dignified job creation and SMME development that goes beyond waste collection. Good infrastructure development can also lead to more advantageous investment and participation of EPR initiatives.

To benefit holistically from EPR, municipalities require well designed, appropriate infrastructure to ensure compliance, support SMMEs and transition towards Circular Economy.

BFI support is critical to address immediate waste management infrastructure constraints, backlogs and compliance while enabling a long-term shift toward a resilient, efficient, and circular waste management system in the Western Cape.

The proposed BFI project is directly aligned with the priorities of the Western Cape Government Strategic Plan (2025–2030), particularly the priority portfolios of Growth for Jobs (G4J) and Educated, Healthy and Caring Society (EHACS), stimulate economic growth and employment through the expansion of waste infrastructure value chains, enterprise development, and SMME participation in recycling, recovery, and beneficiation activities. At the same time, it will contribute to a healthier and more caring society by improving waste service delivery, reducing illegal dumping, and minimising environmental health risks associated with the over-reliance on landfills. It will also enhance the One Health approach that focuses on the nexus of food waste, food safety, organic waste diversion and climate mitigation.

The project further supports the Innovation, Culture and Governance portfolio by promoting integrated, regionalised infrastructure solutions, strengthening intergovernmental coordination, and enabling more efficient and transparent waste management systems.

In alignment with the Western Cape Department of Environmental Affairs and Development Planning Strategic Plan (2025–2030), the project advances priorities related to climate change resilience, environmental quality, spatial transformation, and governance and communication. It contributes to climate mitigation through reduced landfill emissions, enhances environmental quality through improved waste diversion (especially organics), and supports more equitable spatial planning via regional infrastructure. By ensuring appropriate waste management infrastructures are constructed, this will alleviate much of the non-compliances at the waste disposal facilities for improved governance and ensure that communities can also benefit directly from the infrastructure commissioned to support EPR initiatives. There will be consultation with all stakeholders in this regard as part of our communication objectives.

The project is also aligned with the DEA&DP 2026/27 Annual Performance Plan, contributing to the key APP targets on waste diversion, infrastructure development, compliance, and municipal capacity support, thereby accelerating progress toward sustainable, resilient waste management systems in the Western Cape.

3. SCOPE OF WORK AND PROJECT DELIVERABLES

3.1 The service provider will undertake the review of the current available information and contextualize the BFI application as recommended in the scope of work in 4 below.

3.2 Scope of Work

3.2.1 Review the updated infrastructure determination project of 2025 and utilise the findings to motivate for the BFI application proposal.

3.2.2 Utilise the existing data from waste management permits / licences and related environmental authorisations, waste management facilities audits, waste characterisation studies, the Western Cape Waste Management Licensing Plan, and current Municipal Integrated Waste Management Plans.

3.2.3 Comply with the circular of February 2026 "Call for proposals for the 2026/27 Budget Facility for Infrastructure" and highlight the following areas: -

3.2.3.1 Ensure that a pre-screening assessment for the submissions to the BFI are vetted for alignment with key requirements and that sufficient information is provided to proceed to detailed technical analysis.

3.2.3.2 Ensure that the application is submitted in the key category, either Category A (Pre-feasibility), Category B (feasibility), which can be assessed for investment worthiness and channelled to the National treasury or Category C (Post Feasibility) assessment.

3.2.3.3 The service provider should utilize and comply with the February 2026 "Call for proposals for the 2026/27 Budget Facility for Infrastructure added as ***Appendix 1*** to this bid document.

3.2.3.4 Submit the proposal to the National Treasury in advance to allow for reviewing their comments and resubmit the revised application (submission) prior to the deadline/ due date.

3.3 Project Deliverables

3.3.1 The application for the BFI proposal is to be submitted to the National Treasury and should highlight co-funding options available to the project, and sources of previous funding utilised for Municipal infrastructure developments, and this should be done in conjunction with ground-proofing the status with Municipalities establishing the significant projects such as regional facilities, and waste management related infrastructure sources of funding and the links to the strategic vision of the Provincial Integrated Waste Management Plan within the Western Cape.

3.3.2 The consultant will be required to submit a primary Submission Report, consisting of a feasibility study or equivalent, the conceptual design models, comprehensive socio-economic analysis reports and models with a detailed financial model and report. A concise summary of the proposal that is not longer than 20 pages, must be compiled and submitted prior to the 8 January 2027 submission deadline and committee meeting dates of 17 to 19 March 2027, as proposed for the 2026-2027 submission windows.

3.3.3 All copies of the content of the application for the BFI should be supplied to the DEA&DP in a mutually agreed upon electronic format. All analytics, results and data remain the property of the WCG.

4. APPROACH AND PROJECT MANAGEMENT

The project manager, Lance McBain-Charles, and the DEA&DP team will oversee the project and liaise with service providers during the advertisement process and contract period. Service providers may liaise with the official via written communication using the email address provided below.

5. TIMEFRAMES, SERVICE REQUIREMENTS AND REPORTING

5.1 The BFI application deliverables must be completed and submitted to the National Treasury on or before the applicable submission date as determined by the Department.

5.2 Electronic copies of the BFI application must be submitted to: Lance.McBain-Charles@westerncape.gov.za, or any other official identified in writing during the contract period.

6. QUALIFICATION CRITERIA

A service provider MUST comply with all nine of the requirements below. If not, the bid will not be evaluated further. A minimum functionality score of 100% will apply to the evaluation, in order to proceed to the second phase of the evaluation.

CRITERIA	Complies (yes/no)	
Review the updated 2025 "Assessment of the Municipal Integrated Waste Management Infrastructure Reports" and utilise the findings to motivate for the BFI application proposal.	**Yes**	**No**

Utilise the existing data from waste management permits/ licences and related environmental authorisations, waste management facilities audits, waste characterisation studies, the Western Cape Waste Management Licensing Plan, and current Municipal Integrated Waste Management Plans.	**Yes**	**No**
Comply with the circular of February 2026 "Call for proposals for the 2026/27 Budget Facility for Infrastructure" and highlight the following areas: -	**Yes**	**No**
Ensure that a pre-screening assessment for the submissions to the BFI are vetted for alignment with key requirements and that sufficient information is provided to proceed to detailed technical analysis.	**Yes**	**No**
Ensure that the BFI application is submitted in the key category, after discussion with the Department to establish either Category A (Pre-feasibility), Category B (feasibility), which can be assessed for investment worthiness and channelled to the National treasury or Category C (Post Feasibility) assessment.	**Yes**	**No**
Highlight co-funding options available to the project, and sources of previous funding utilised for Municipal infrastructure developments for the past two financial years Medium Term Expenditure Frameworks (MTEFs), and this should be done in conjunction with ground-proofing the status with Municipalities establishing the significant projects such as regional facilities, and waste management related infrastructure sources of funding and the links to the strategic vision of the Provincial Integrated Waste Management Plan within the Western Cape.	**Yes**	**No**
The consultant will be required to submit a primary Submission Report, consisting of a feasibility study or equivalent, the conceptual design models, comprehensive socio-economic analysis reports and models with a detailed financial model and report. A concise summary of the proposal that is not longer than 20 pages must be compiled and submitted prior to the closing date of submission deadline and committee meeting dates, as proposed for the submission windows and as determined by the Department before 5 March 2027.	**Yes**	**No**

The service provider should utilize and comply with the February 2026 "Call for proposals for the 2026/27 Budget Facility for Infrastructure added as ***Appendix 1*** to this bid document.	**Yes**	**No**
Be able to submit the proposal once reviewed by DEA&DP to the National Treasury in advance to allow for reviewing their comments and resubmit the revised application prior to the deadline/ due date.	**Yes**	**No**

7. COMPULSORY INFORMATION

7.1 The Bid will not be considered without the following documents or compliance to the requirements stated:

7.1.1 Submission of detailed cost breakdown.

7.1.2 Registration on the Central Supplier Database (CSD)

7.1.3 Bid documents must be properly received on or before the bid closing date and the time specified on the invitation, duly completed, dated and signed.

7.2 All bidders who have met all the conditions as set out in paragraph 6 above will be assessed according to the 80/20 preference point scoring, as stated below:

Evaluation Element	Points
l. Price	80
2. B-BBEE Points	20
TOTAL	**100**

The Western Cape Government will continue with the utilisation of the Broad-Based Black Economic Empowerment (B-BBEE) point scoring to give effect to the requirements of section 2 (1) (d)(i) of the Preferential Procurement Policy Framework Act (PPPFA) in that it:

i. Provides an established basis on which to allocate points for preference to persons or categories of persons historically disadvantaged by unfair discrimination on the basis of race, gender or disability;
ii. Gives effect to at least two of the RDP goals (i.e., the promotion of South African owned enterprises and the promotion of SMMEs); for each tender process invited that uses B-BBEE certification as a means of claiming preference points;
iii. Is able to be measurable, quantifiable and monitored for compliance; and
iv. Supports compliance with National Treasury Regulation, 2005 paragraph 16A3.2 (c) that requires that a supply chain management system referred to in paragraph 16A.3.1 must amongst others be consistent with the PPPFA and the B-BBEE Act.
v. The WCG will utilise the preferential procurement goals contemplated in section 2 (1)(d) of the PPPFA and that the relevant B-BBEE scorecards (i.e., a B-BBEE certificate / sworn affidavit as supporting evidence provided by bidders to claim preference points) as specified in the Broad-Based Black Economic Empowerment Act (No. 53 of 2003, hereafter B-BBEE Act) be accepted as supporting evidence to claim preference points.

vi. The DEA&DP may conduct a due diligence process to determine a bidder's capability and ability before awarding this contract.

7.3 The Bidder must comply with the following requirements, which will not necessarily invalidate the bid:

7.3.1 Completion in full of the WCBD 6.1 Preference Points claim in terms of the preferential procurement as it relates to preference points.

7.3.2 When completing the WCBD 6.1 Preference Points claim form attached to this bid, bidders must note the conditions pertaining to the award of preference points and therefore the form has to be completed in full.

7.3.3 The Master Registration Number (Supplier number) to enable the DEA&DP to verify the bidder's tax compliance status on the CSD.

8. SUPPLY CHAIN MANAGEMENT REQUIREMENTS

8.1 Proof of registration on the National Treasury Central Supplier Database.

Schedules	Description	Mandatory	Returnable Documents
WCBD 1	Invitation to Bid	✓	✓
WCBD 3.1	Pricing Schedule	✓	✓
WCBD 3.2	Price Adjustments (Non-firm pricing-if applicable)		✓
WCBD 3.3	Final Pricing Schedule	✓	✓
WCBD 4	Declaration of Interest, Declaration of Bidder's Past Supply Chain Management Practices and Certificate of Independent Bid Determination.	✓	✓
WCBD 6.1	If the bidder intends to insource/sub-contract, such details must be detailed in the WCBD 6.1	✓	✓
CSD	**Bidders must be registered on the CSD at the time of award** - Submission of Proof of CSD Registration or latest Report.	✓	✓
GCC, SCC and ToR	Bidders must accept all bid conditions by: - initialing every page of the ToR	✓	✓

9. EVALUATION CRITERIA

In order for a bidder to proceed to the B-BBEE scoring process, their bid must achieve a minimum score of 70 points or more as per functionality weighting criteria table below. This minimum score is a prerequisite for further evaluation based on the B-BBEE.

As per section 2(1)(f) of the Preferential Procurement Policy Framework Act, 2000, the contract may be awarded to a bidder other than the one scoring the highest number of total points based on evaluation criteria in addition to those contemplated in paragraphs (d) and (e) of the Preferential Procurement Policy Framework Act, 2000 that justifies the award to another tenderer, provided that it has been stipulated upfront in the tendering conditions.

The following evaluation criteria apply to the functionality:

FUNCTIONALITY WEIGHTING CRITERIA	**Weighting Factors:**		
Service Providers, Skills, Competencies, and Experience	**80**	**Points**	**Required**
Previous infrastructure funding applications, which includes BFI application submissions that lead to the successful implementation of the allocated funds.	20	20	4 or more funding applications previously submitted for infrastructure and including at least 1 BFI applications
		15	2 to 3 funding applications previously submitted for infrastructure and including at least 1 BFI applications.
		5	1 funding applications previously submitted for infrastructure.
		0	No previous funding applications
A project team with postgraduate degrees in the Natural/ Environmental Sciences and Engineering and any other relevant qualification and skills. The team must include a Civil Engineer registered with ECSA/ SAICE.	15	15	All team members have post graduate qualifications
		10	At least half of the team members have post graduate qualifications
		5	1 team member has a post graduate qualification
		0	No team member has a post graduate qualification.
Expert knowledge which shows how various waste management infrastructure projects including technologies and environmental management related projects related to regulatory processes with 2 to 5 years' experience. Include a detailed resume with contactable reference to all team members.	15	15	**Waste Management:** 3 to 5 years' experience in Waste Management infrastructure such as waste disposal and treatment facilities, equipment and methodologies used in waste projects, and evidence of the projects completed

			Environmental Management Projects: 3 to 5 years' experience in Environmental Management projects related to regulatory processes, and evidence of the projects completed.
		10	**Waste Management:** 2 years' experience in Waste Management infrastructure such as waste disposal and treatment facilities, equipment and methodologies used in waste projects, and evidence of the projects completed. **Environmental Management Projects:** 2 years' experience in Environmental Management projects related to regulatory processes, and evidence of the projects completed.
		5	**Waste Management:** Less than 2 years' experience in Waste Management infrastructure such as waste disposal and treatment facilities, equipment and methodologies used in waste projects, and evidence of the projects completed **Environmental Management Projects:** Less than 2 years' experience in Environmental Management projects related to regulatory processes, and evidence of the projects completed.

		0	**No experience in Waste Management infrastructure** such as waste disposal and treatment facilities, equipment and methodologies used in waste projects, and evidence of the projects completed. **No experience in Environmental Management projects** related to regulatory processes, and evidence of the projects completed.
The project team must have previous (proven) project management experience, skills and evidence of such projects including report writing skills.	10	10	5 or more previous projects with report writing skills within the team.
		6	3 or more previous projects with report writing skills within the team.
		3	1 or more previous projects with report writing skills within the team.
		0	Zero previous projects with report writing skills within the team projects.
The project team must have a member with a relevant qualification in financial accounting, with a financial costing, management background and with an understanding of alternate blended finance mechanisms.	20	20	At least 2 or more team members within the team have qualifications in finance and have worked on 2 or more alternative blended finance applications
		15	At least 1 or more team members within the team have qualifications in finance and have worked on 1 alternative blended finance applications.
		10	At least 1 team member within the team have qualifications in finance and have worked on zero

			alternative blended finance applications
		0	Zero team members have qualifications in finance and have worked on zero alternative blended finance applications
Interpretation of terms of reference and the quality of the methodology presented, and timeous delivery	**20**		
Interpretation of the terms of reference and quality of the methodology presented including the conceptual thinking of the BFI study and way of doing the application.	10	10	A clear (100%) Interpretation of the terms of reference and comply with the conditions set out in the circular "call for proposals for the 2026/27 budgetary facility for infrastructure" dated February 2026. Conformance to the TOR requirements and the methodology of submitting the BFI application. Conceptual thinking of the BFI study proposal to be submitted and way of doing the application which covers all the required aspects.
		6	The proposal lacks certain (75%) requirements and does not have a clear Interpretation of the terms of reference or comply with the conditions as set out in the circular "call for proposals for the 2026/27 budgetary facility for infrastructure" dated February 2026. Limited conformance to the TOR requirements and the methodology of submitting the BFI application. Limited conceptual thinking of the BFI study proposal to be submitted and way of

			doing the application which covers all the required aspects.
		3	The proposal lacks most of the requirements and does not have a clear Interpretation of the terms of reference or comply with the conditions as set out in the circular "call for proposals for the 2026/27 budgetary facility for infrastructure" dated February 2026. Limited conformance to the TOR requirements and the methodology of submitting the BFI application. Limited conceptual thinking of the BFI study proposal to be submitted and way of doing the application which covers all the required aspects.
		0	The proposal does not conform to all the requirements and does not have a clear Interpretation of the terms of reference or comply with the conditions as set out in the circular "call for proposals for the 2026/27 budgetary facility for infrastructure" dated February 2026. Non-conformance to the TOR requirements and the methodology of submitting the BFI application.
Detailed work breakdown structure Indicating work breakdown, visits, tasks, resources allocated (schedule of personnel allocated to the project, their positions, designations, and hours they will be involved in the project accompanied by hourly DPSA rates) and timeframes applicable and associated milestones with detailed cost	10	10	Project plan shows a complete (100%) Gantt chart, resource allocation and utilization, costs per resource (DPSA hourly rates) which is clearly set out and understandable. The

			project can be completed within the associated timeline to successfully submit the BFI application to National Treasury.
		6	Project plan does not show a semi complete (75%) Gantt chart, resource allocation and utilization, incomplete costs per resource (DPSA hourly rates) which is clearly set out and understandable. The project can be completed within the associated timeline to successfully submit the BFI application to National Treasury.
		3	Project plan contains only (50%) of the information in respect of the requirements listed below namely: the Gantt chart, resource allocation and utilization, incomplete costs per resource (DPSA hourly rates) which is not clearly set out and understandable. The project can be completed within the associated timeline to successfully submit the BFI application to National Treasury.
		0	No Gantt chart, costs per resources (DPSA hourly rates), and are not clearly set out and understandable, and designations. Unable to submit the application timeously.
Total score	**100**		
The Minimum functionality score to qualify for further evaluation is.	**70%**		

10. INTELLECTUAL PROPERTY

It is understood that all documentation related to the project, and information obtained during it, in whatever format, will be the intellectual property of the Department.

11. GENERAL CONDITIONS

11.1 Short-listed bidders may be requested to deliver a presentation of their proposal to DEA&DP as part of the bidding process.

11.2 The service provider is required to confirm that its proposal will be valid for 90 days from the closing date of the submission for proposals.

11.3 During the evaluation period, service provider might be requested to clarify matters in relation to the proposals submitted. Such information will be supplied to the Department, free of charge.

11.4 After awarding the tender, a project inauguration meeting with a comprehensive agenda compiled by the service provider and approved by the Department must be arranged by the service provider within 20 working days.

12. OTHER

Enquiries can be directed as follows:
Bid and Supply Chain Management related enquiries:
Donna D. Swartz
Tel: 021 483 4471
Email: DEADP.SCMHelpdesk@westerncape.gov.za

Technical enquiries:
Lance McBain-Charles
Tel: 021 483 2747
Email: Lance.McBain-Charles@westerncape.gov.za

PRICING SCHEDULE – FIRM PRICES

(PURCHASES)

NOTE: **ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

Name of bidder: ……………………………………………	**Bid Number: DEA&DP5/2026**
Closing Time: 11H00am	**Closing date: 27 October 2026**

OFFER TO BE VALID FOR **90 DAYS** FROM THE CLOSING DATE OF BID.

DESCRIPTION:	**QUANTITY**	**TOTAL COST (VAT INCLUSIVE Bid Price in RSA Rands)**
		R…………………………
<u>GRAND TOTAL (INCLUSIVE VAT)</u>		**R…………………………**

Enquired by: **DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING**

- At: 1 & 3 Dorp street
CAPE TOWN,
8000

- Brand and model …………………………………

- Guarantee period ……………………………….

- Country of origin …………………………………

- Does the offer comply with the specification(s)? *YES / NO

- If not to specification, indicate deviation(s) ………………………………….

- Period required for delivery ………………………………….
*Delivery: Firm / not firm

- Delivery basis ……………………………………

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

**" all applicable taxes" includes value-added tax, import tax, pay as you earn, income tax, unemployment insurance fund contributions, and skills development levies.

PRICE ADJUSTMENTS

A NON-FIRM PRICES SUBJECT TO ESCALATION

1. IN CASES OF PERIOD CONTRACTS, NON-FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON-FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES

2. IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

$$Pa = (1-V)Pt\left(D1\frac{R1t}{R1o} + D2\frac{R2t}{R2o} + D3\frac{R3t}{R3o} + D4\frac{R4t}{R4o} \right) + VPt$$

Where:

Pa	=	The new escalated price to be calculated.
(1-V)Pt	=	85% of the original bid price. **Note that Pt must always be the original bid price and not an escalated price.**
D1, D2..	=	Each factor of the bid price e.g., labour, transport, clothing, footwear, etc. The total of the various factors D1, D2…etc. must add up to 100%.
R1t, R2t…… factors used).	=	Index figure obtained from new index (depends on the number of
R1o, R2o	=	Index figure at time of bidding.
VPt	=	15% of the original bid price. This portion of the bid price remains firm i.e., it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price:

Index………. Dated………. Index………. Dated………. Index………. Dated……….

Index………. Dated………. Index………. Dated………. Index………. Dated……….

4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR (D1, D2 etc. e.g., Labour, transport etc.)	*P PERCENTAGE OF BID PRICE*

Contractor to initial……………………………..

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

PRICING SCHEDULE
(Professional Services)

NOTE: ***Offer to be valid for 90 days from the closing date of bid.***

Name of Bidder: ______________________	*Bid Number:* **DEA&DP5/2026**
Closing Time: ***11h00am***	*Closing Date:* ***27 October 2026***

Item No.	DESCRIPTION	BID PRICE IN RSA CURRENCY NO. *(ALL APPLICABLE TAXES INCLUDED)	
1.	*The accompanying information must be used for the formulation of proposals.*	***R**______________________	
2.	*Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.*		
3.	*Persons who will be involved in the project and rates applicable.* *(Certified invoices must be rendered in terms hereof)*		
4.	**PERSON AND POSITION**	**HOURLY RATE**	**DAILY RATE**
	______________________	**R**__________	__________
	______________________	**R**__________	__________
	______________________	**R**__________	__________
	______________________	**R**__________	__________
5.	**PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT**		
	______________________	**R**__________	__________ days
	______________________	**R**__________	__________ days
	______________________	**R**__________	__________ days
	______________________	**R**__________	__________ days

5.1 Travel expenses (specify, for example rate/km and total km, class of air travel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	**RATE**	**QUANTITY**	**AMOUNT**
______________	________	________	R________
______________	________	________	R________
______________	________	________	R________
______________	________	________	R________

5.2 Other expenses, for example accommodation (specify, e.g. Three-star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

______________	________	________	R________
______________	________	________	R________
______________	________	________	R________
______________	________	________	R________

***TOTAL: R**________________*

6. Period required for commencement with project after acceptance of bid ________________

7. Estimated man-days for completion of project ________________

8. Are the rates quoted firm for the full period of contract?

YES / NO
[DELETE IF NOT APPLICABLE]

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

____
____
____
____

SIGNATURE OF BIDDER : ________________

NAME OF BIDDER (PRINT) : ________________

DATE : ________________

CAPACITY UNDER WHICH THE BID IS SIGNED : ________________

TOTAL BID PRICE :
***R**________________

Contractor to initial……………………………..

WCBD 4

PROVINCIAL GOVERNMENT WESTERN CAPE: DECLARATION OF INTERESTS, BIDDERS PAST SCM PRACTICES AND INDEPENDENT BID DETERMINATION

1. To give effect to the requirements of the Western Cape Provincial Treasury Instructions, 2019: Supply Chain Management (Goods and Services), Public Finance Manage Act (PFMA) Supply Chain Management (SCM) Instruction No. 3 of 2021/2022 - SBD 4 Declaration of Interest, Section 4 (1)(b)(iii) of the Competition Act No. 89 of 1998 as amended together with its associated regulations, the Prevention and Combating of Corrupt Activities Act No 12 of 2004 and regulations pertaining to the tender defaulters register, Paragraph 16A9 of the National Treasury Regulations and/or any other applicable legislation.
2. 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.
3. All prospective bidders intending to do business with the Institution must be registered on the Central Supplier Database (CSD) and the Western Cape Supplier Evidence Bank (WCSEB) if they wish to do business with the Western Cape Government (WCG)via the electronic Procurement Solution (EPS).
4. The status of enterprises and persons listed on the National Treasury's Register for Tender Defaulters will be housed on the ePS. Institutions may not under any circumstances procure from enterprises and persons listed on the Database of Tender Defaulters.
5. The status of suppliers listed on the National Treasury's Database of Restricted Suppliers will be housed on the ePS; however, it remains incumbent on institutions to check the National Treasury Database of Restricted Suppliers before the conclusion of any procurement process. For suppliers listed as restricted, institutions must apply due diligence and risk assessment before deciding to proceed with procurement from any such supplier.
6. **Definitions**

   "bid" means a bidder's response to an institution's invitation to participate in a procurement process which may include a bid, price quotation or proposal;

   "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 purchaserswho wish to acquire goods and/or services through a bidding process. Bid rigging is, therefore, an agreement between competitors;

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation, or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

31 May 2022

Contractor to initial……………………………..

"**business interest**" means -

(a) a right or entitlement to share in profits, revenue, or assets of an entity;
(b) a real or personal right in property;
(c) a right to remuneration or any other private gain or benefit, or
(d) includes any interest contemplated in paragraphs (a), (b) or (c) acquired through an intermediary and any potential interest in terms of any of those paragraphs;

"Consortium or Joint Venture" 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;

"Controlling interest" means, the power, by one person or a group of persons holding the majority ofthe 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;

"Corruption"- General offences of corruption are defined in the Combating of Corrupt ActivitiesAct, 2004 (Act No 12 of 2004) as:

Any person who directly or indirectly -

(a) accepts or agrees or offers to accept an!' gratification from any other person, whether for the benefit of himself or herself or for the benefit of another person; or

(b) gives or agrees or offers to give to any other person any gratification, whether for the benefit of that other person or for the benefit of another person., in order to act personally or by influencinganother person so to act, in a manner—

(i) that amounts to the-
(aa) illegal. dishonest. unauthorised. incomplete. or biased: or
(bb) misuse or selling of information or material acquired in the course of the exercise,carrying out or performance of any powers, duties or functions arising out of a constitutional, statutory, contractual or any other legal obligation:

(ii) that amounts to-
(aa) the abuse of a position of authority;
(bb) a breach of trust; or

(cc) the violation of a legal duty or a set of rules;

(iii) designed to achieve an unjustified result; or

(iv) that amounts to any other unauthorised or improper inducement to do or 45 not to doanything. of the, is guilty of the offence of corruption.

"CSD" means the Central Supplier Database maintained by National Treasury;

"employee", in relation to –

(a) a department, means a person contemplated in section 8 of the Public Service Act, 1994 butexcludes a person appointed in terms of section 12A of that Act; and
(b) a public entity, means a person employed by the public entity;

"entity" means any -

(a) association of persons, whether or not incorporated or registered in terms of any law, includinga company, corporation, trust, partnership, close corporation, joint venture, or consortium; or
(b) sole proprietorship;

"entity conducting business with the Institution" means an entity that contracts or applies or tenders for the sale, lease or supply of goods or services to the Province;

"Family member" means a person's -

(a) spouse; or

(b) child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption or some other legal arrangement (as the case may be);

"intermediary" means a person through whom an interest is acquired, and includes a representativeor agent or any other person who has been granted authority to act on behalf of another person;

"**Institution**" means –

a provincial department or provincial public entity listed in Schedule 3C of the Act;

"Provincial Government Western Cape (PGWC)" means

(a) the Institution of the Western Cape, and

(b) a provincial public entity;

"RWOEE" means -

Remunerative Work Outside of the Employee's Employment

"spouse" means a person's -

(a) partner in marriage or civil union according to legislation;

(b) partner in a customary union according to indigenous law; or

(c) partner with whom he or she cohabits and who is publicly acknowledged by the person as his orher life partner or permanent companion.

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation, or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

31 May 2022

Regulation 13(c) of the Public Service Regulations (PSR) 2016, effective 1 February 2017, prohibits any employee from conducting business with an organ of state, or holding a directorship in a public or private company doing business with an organ of state unless the employee is a director (in an official capacity) of a company listed in schedules 2 and 3 of the Public Finance Management Act.

a) Therefore, by 31 January 2017 all employees who are conducting business with an organ ofstate should either have:

(i) resigned as an employee of the government institution or;
(ii) cease conducting business with an organ of state or;
(iii) resign as a director/shareholder/owner/member of an entity that conducts business withan organ of state.

7. Any legal person, or their family members, may make an offer or offers in terms of this invitation to bid. In view of potential conflict of interest, in the event that the resulting bid, or part thereof, be awarded to family members of persons employed by an organ of state, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where the bidder is employed by the Institution.

8. The bid of any bidder may be disregarded if that bidder or any of its directors abused the institution's supply chain management system; committed fraud or any other improper conduct in relation to such system; disclosure is found not to be true and complete; or failed to perform on any previous contract.

9. 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). Collusive bidding is a per se prohibition meaning that it cannot be justified under any grounds.

10. Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorises accounting officers and accounting authorities to:

a) disregard the bid of any bidder if that bidder, or any of its directors have abused the institution'ssupply chain management system and or committed fraud or any other improper conduct inrelation to such system.

b) cancel a contract awarded to a supplier of goods and services if the supplier committed anycorrupt or fraudulent act during the bidding process or the execution of that contract.

11. Communication between partners in a joint venture or consortium will not be construed as collusivebidding.

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation, or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

31 May 2022

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.

SECTION A: DETAILS OF THE ENTITY	
CSD Registration Number	*MAAA*
Name of the Entity	
Entity registration Number (where applicable)	
Entity Type	
Tax Reference Number	
Full details of directors, shareholder, member, partner, trustee, sole proprietor, or any persons having a controlling interest with a right or entitlement to share in profits, revenue or assets of the entity should be disclosed in the Table A below.	

TABLE A

FULL NAME	**DESIGNATION** *(Where a director is a shareholder, both shouldbe confirmed)*	**IDENTITY NUMBER**	**PERSONAL TAX REFERENCE NO.**	**PERCENTAGE INTEREST IN THE ENTITY**

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation, or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

31 May 2022

SECTION B: DECLARATION OF THE BIDDER'S INTEREST *The supply chain management system of an institution must, irrespective of the procurement process followed, prohibit any award to an employee of the state, who either individually or as a director of a public or private company or a member of a close corporation, seek to conduct business with the WCG, unless such employee is in an official capacity a director of a company listed in Schedule 2 or 3 of the PFMA as prescribed by the Public Service Regulation 13(c).* *Furthermore, an employee employed by an organ of state conducting remunerative work outside of the employee's employment should first obtain the necessary approval by the delegated authority (RWOEE), failure to submit proof of such authority, where applicable, may result in disciplinary action.*			
B1.	Are any persons listed in Table A identified on the CSD as employees of an organ of state? ***(If yes, refer to Public Service Circular EIM 1/2016 to exercise the listed actions)***	NO	YES
B2.	Are any employees of the entity also employees of an organ of state? ***(If yes complete Table B and attach their approved "RWOEE")***	NO	YES
B3.	Are any family members of the persons listed in Table A employees of an organ of state? ***(If yes complete Table B)***	NO	YES

TABLE B

Details of persons (family members) connected to or employees of an organ of state should be disclosed in Table B below.

FULL NAME OF EMPLOYEE	**IDENTITY NUMBER**	**DEPARTMENT/ ENTITY OF EMPLOYMENT**	**DESIGNATION/ RELATIONSHIP TO BIDDER****	**INSTITUTION EMPLOYEE NO./ PERSAL NO.** (*Indicate if not known*)

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation, or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

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SECTION C: PERFORMANCE MANAGEMENT AND BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES To enable the prospective bidder to provide evidence of past and current performance.			
C1.	Did the entity conduct business with an organ of state in the last twelve months? **(If yes complete Table C)**	NO	YES

C2. TABLE C

Complete the below table to the maximum of the last 5 contracts.

NAME OF CONTRACTOR	PROVINCIAL DEPARTMENTOR PROVINCIAL ENTITY	TYPE OF SERVICES OR COMMODITY	CONTRACT/ ORDER NUMBER	PERIOD OF CONTRACT	VALUE OF CONTRACT

C3.	Is the entity or its principals listed on the National Database as companies or persons prohibited from doing business with the public sector?		NO	YES
C4.	Is the entity or its principals listed on the National Treasury Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No. 12 of 2004)? *(To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register forTender Defaulters" or submit your written request for a hard copy of the Register to facsimile number(012) 326 5445.)*		NO	YES
C5.	If yes to C3 or C4, were you informed in writing about the listing on the database of restricted suppliers or Register for Tender Defaulters by National Treasury?	NO	YES	N/A
C6.	Was the entity or persons listed in Table A convicted for fraud or corruption during the past fiveyears in a court of law (including a court outside the Republic of South Africa)?		NO	YES
C7.	Was any contract between the bidder and any organ of state terminated during the past fiveyears on account of failure to perform on or comply with the contract?		NO	YES

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation, or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

31 May 2022

SECTION D: DULY AUTHORISED REPRESENTATIVE TO DEPOSE TO AFFIDAVIT

This form must be signed by a duly authorised representative of the entity in the presence of a commissioner of oaths.

I, ...hereby swear/affirm;

i. that the information disclosed above is true and accurate;

ii. that I have read understand the content of the document;

iii. that I have arrived at the accompanying bid independently from, and without consultation, communication, agreement, or arrangement with any competitor.

iv. that the entity undertakes to independently arrive at any offer at any time to the Institution without any consultation, communication, agreement, or arrangement with any competitor. In addition, that there will be no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specification, 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;

v. that the entity or its representative are aware of and undertakes not to disclose the terms of any bid, formal or informal, directly, or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract; and

vi. that there have been no consultations, communications, agreements or arrangements made 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 that my entity was not involved in the drafting of the specifications or terms of reference for this bid.

…………………………………………………………..

DULY AUTHORISED REPRESENTATIVE'S SIGNATURE

I certify that before administering the oath/affirmation I asked the deponent the following questions and wrote down his/her answers in his/her presence:

1.1 Do you know and understand the contents of the declaration? ANSWER: …………………..………

1.2 Do you have any objection to taking the prescribed oath? ANSWER: ……………………..

1.3 Do you consider the prescribed oath to be binding on your conscience? ANSWER:.…………..……

1.4 Do you want to make an affirmation? ANSWER: ……………………

2. I certify that the deponent has acknowledged that he/she knows and understands the contents of this declaration, which was sworn to/affirmed and the deponent's signature/thumbprint/mark was place thereon in my presence.

………………………………………………………………………………………..
SIGNATURE FULL NAMES Commissioner of Oaths

Designation (rank) ....ex officio: Republic of South Africa

Date:………………………………………………………………… Place
…………………………………………………………

Business Address: ………

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation, or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

31 May 2022

INTRODUCTION

The National Industrial Participation Programme (NIP), which is applicable to all government procurement contracts that have an imported content, became effective on 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchases/lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

1. PILLARS OF THE PROGRAMME

1.1 The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to, or exceeding, US$ 10 million or other currency equivalent to US$ 10 million, will have an NIP obligation. The threshold of US$ 10 million can be reached as follows:

(a) Any single contract with imported content exceeding US$ 10 million.

or

(b) Multiple contracts for the same goods, works or services, each with imported content exceeding US$ 3 million awarded to one seller over a 2 year period, which in total exceeds US$ 10 million.

or

(c) A contract with a renewable option clause where, should the option be exercised, the total value of the imported content will exceed US$ 10 million.

or

(d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to, or exceeds, US$ 3 million worth of goods, works or services to the same government institution, which in total, over a 2 year period, exceeds US$ 10 million.

1.2 The NIP obligation applicable to suppliers in respect of sub-paragraphs 1.1(a) to 1.1(c) above will amount to 30% of the imported content, whilst suppliers in respect of paragraph 1.1(d) shall incur 30% of the total NIP obligation on a *pro rata* basis.

1.3 To satisfy the NIP obligation, the DTI would negotiate and conclude agreements such as investments, joint ventures, sub-contracting, licencee production, export promotion, sourcing arrangements and research and development (R & D) with partners or suppliers.

1.4 A period of 7 years has been identified as the timeframe within which to discharge the obligation.

2. REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY

2.1 In order to ensure effective implementation of the programme, successful bidders (contractors) are required, immediately after the award of a contract that is in excess of R10 million (ten million Rands), to submit details of such a contract to the DTI for reporting purposes.

2.2 The purpose of reporting details of contracts in excess of the amount of R10 million is to cater for multiple contracts for the same goods, works or services, renewable contracts and multiple suppliers for the same goods, works or services under the same contract as provided for in the aforementioned sub-paragraphs 1.1(b) to 1.1(d).

3. **BID SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF BIDDERS AND SUCCESSFUL BIDDERS (CONTRACTORS)**

1.1 Bidders are required to sign and submit this WCBD5 document together with the bid on the closing date and time.

3.2 In order to accommodate multiple contracts for the same goods, works or services, renewable contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1(b) to 1.1(d), and to enable the DTI in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R10 million, to contact and furnish the DTI with the following information:

- Bid/contract number.
- Description of goods, works or services.
- Name on which the contract was accepted.
- Name, address and contact details of the government institution.
- Value of the contract.
- Imported content of the contract, if possible.

3.3 The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X84, Pretoria, 0001 for the attention of Mr Elias Malapane within 5 (five) working days after award of the contract. Mr Malapane may be contacted on telephone (012) 394-1401, facsimile (012) 394-2401 or e-mail at emalapane@thedti.gov.za for further details about the programme.

4. **PROCESS TO SATISFY THE NIP OBLIGATION**

4.1 Once the successful bidder (contractor) has made contact and furnished the DTI with the information required, the following steps will be followed:

(a) the contractor and the DTI will determine the NIP obligation;
(b) the contractor and the DTI will sign the NIP obligation agreement;
(c) the contractor will submit a performance guarantee to the DTI;
(d) the contractor will submit a business concept for consideration and approval by the DTI;
(e) upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
(f) the contractor will implement the business plans, and
(g) the contractor will submit bi-annual progress reports on approved plans to the DTI.

4.2 THE NIP obligation agreement is between the DTI and the successful bidder (contractor) and therefore does not involve the purchasing institution.

BID NUMBER: DEA&DP5/2026 Closing date: **27 October 2026**

Name of bidder: ______________________________

Postal address: ______________________________

____

Signature: ____________________ Name in print: ____________________

Date: ____________________

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 AND IN TERMS OF THE WESTERN CAPE GOVERNMENTS INTERIM STRATEGY AS IT RELATES TO PREFERENCE POINTS

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 (TENDERERS) MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER, PREFERENTIAL PROCUREMENT REGULATIONS, 2022 AND THE BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT AND THE CODES OF

GOOD PRACTICE

1. DEFINITIONS

1.1 **"acceptable tender**" means any tender which, in all respects, complies with the specifications and conditions of tender as set out in the tender document.

1.2 **"affidavit"** is a type of verified statement or showing, or in other words, it contains a verification, meaning it is under oath or penalty of perjury, and this serves as evidence to its veracity and is required for court proceedings.

1.3 **"all applicable taxes"** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

1.4 **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

1.5 **"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;

1.6 **"bid"** means a written offer on the official bid documents or invitation of price quotations and "tender" is the act of bidding /tendering;

1.7 **"Code of Good Practice"** means the generic codes or the sector codes as the case may be;

1.8 **"consortium or joint venture"** 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;

1.9 **"contract"** means the agreement that results from the acceptance of a bid by an organ of state;

1.10 **"EME"** is an Exempted Micro Enterprise with an annual total revenue of R10 million or less.

1.11 **"Firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract**;**

1.12 **"Large Enterprise"** is any enterprise with an annual total revenue above R50 million;

1.13 **"non-firm prices"** means all prices other than "firm" prices;

1.14 **"person"** includes a juristic person;

1.15 **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

1.16 **"proof of B-BBEE status level contributor"** means-

(a) The B-BBEE status level certificate issued by an authorized body or person;
(b) A sworn affidavit as prescribed in terms of the B-BBEE Codes of Good Practice; or
(c) Any other requirement prescribed in terms of the Broad- Based Black Economic Empowerment Act.

1.17 **QSE** is a Qualifying Small Enterprise with an annual total revenue between R10 million and R50 million;

1.18 **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

1.19 **"sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract.

1.20 **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide or services through price quotations, competitive tendering process or any other method envisaged in legislation;

1.21 **"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;

1.22 **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);

1.23 **"the Regulations"** means the Preferential Procurement Regulations, 2022;

1.24 **"total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the Government Gazette on 11 October 2013;

1.25 **"trust"** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and

1.26 **"trustee"** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

2. GENERAL CONDITIONS

2.1 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).

2.2 Preference point system for this bid:

(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).

2.3 Preference points for this bid (even in the case of a tender for income-generating contracts) shall be awarded for:
(a) Price; and
(b) B-BBEE Status Level of Contribution.

2.4 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**

2.5 Failure on the part of a bidder to fill in, sign this form and submit in the circumstances prescribed in the Codes of Good Practice either a B-BBEE Verification Certificate issued by a Verification Agency accredited by the South African Accreditation System (SANAS) or an affidavit confirming annual total revenue and level of black ownership together with the bid or an affidavit issued by Companies Intellectual Property Commission, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

2.6 The organ of state 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.

3. ADJUDICATION USING A POINT SYSTEM

3.1 Subject to Section 2 (1) (f) of the Preferential Procurement Policy Framework Act, 2000, **the bidder obtaining the highest number of total points will be awarded the contract.**

3.2 A tenderer must submit proof of its B-BBEE status level of contributor in order to claim points for B-BBEE.

3.3 A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE will not be disqualified but will only score:

(a) points out of 80 for price; and
(b) 0 points out of 20 for B-BBEE

3.4 Points scored must be rounded off to the nearest 2 decimal places.

3.5 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.

3.6 As per section 2 (1) (f) of the Preferential Procurement Policy Framework Act, 2000, the contract may be awarded to a bidder other than the one scoring the highest number of total points based on objective criteria in addition to those contemplated in paragraph (d) and (e) of the Act that justifies the award to another tenderer provided that it has been stipulated upfront in the tendering conditions.

3.7 Should two or more bids be equal in all respects; the award shall be decided by the drawing of lots.

4. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

4.1 **POINTS AWARDED FOR PRICE**

4.1.1 **THE 80/20 OR 90/10 PREFERENCE POINT SYSTEM**

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

80/20 or 90/10

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right) \quad \text{or} \quad Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where:
Ps = Points scored for price of bid under consideration
Pt = Price of tender under consideration
Pmin = Price of lowest acceptable tender

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

5.1 **POINTS AWARDED FOR PRICE**

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

80/20 **or** **90/10**

$$Ps = 80\left(1 + \frac{Pt - P\,max}{P\,max}\right) \quad \text{or} \quad Ps = 90\left(1 + \frac{Pt - P\,max}{Pmax}\right)$$

Where
Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = Price of highest acceptable tender

6. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

6.1 In terms of WCG interim strategy, 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

6.2 An **EME** must submit a valid, originally certified affidavit confirming annual turnover and level of black ownership or an affidavit issued by Companies Intellectual Property Commission

6.3 A **QSE that is less than 51% (50% or less) black owned** must be verified in terms of the QSE scorecard issued via Government Gazette and submit a valid, original or a legible certified copy of a B-BBEE Verification Certificate issued by SANAS.

6.4 A **QSE that is at least 51% black owned (51% or higher)** must submit a valid, originally certified affidavit confirming turnover and level of black ownership as well as declare its empowering status or an affidavit issued by Companies Intellectual Property Commission.

6.5 A **large enterprise** must submit a valid, original, or originally certified copy of a B-BBEE Verification Certificate issued by a verification agency accredited by SANAS.

6.6 A trust, consortium, or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

6.7 A trust, consortium, or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE status level verification certificate for every separate tender.

6.8 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

7. BID DECLARATION

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

8. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPH 5

8.1 B-BBEE Status Level of Contribution …………………….= ………………………. **(maximum of 20 points)**

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or an affidavit confirming annual total revenue and level of black ownership in terms of the relevant sector code applicable to the tender.

9. SUB-CONTRACTING

9.1 Will any portion of the contract be sub-contracted? **YES / NO (delete which is not applicable)**

9.1.1 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? **YES / NO** (delete which is not applicable)

9.1.2 Sub-contracting relates to a particular contract and if sub-contracting is applicable, the bidder to state in their response to a particular RFQ that a portion of that contract will be sub-contracted.

10. DECLARATION WITH REGARD TO COMPANY/FIRM

10.1 Name of company/ entity: ……………………………………………………………..

10.2 VAT registration number: ..…………………………………………………………….

10.3 Company Registration number:…………………………………………………………….

10.4 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

[SELECT APPLICABLE ONE]

10.5 **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-BBEE status level of contribution indicated in paragraph 7 above, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:**

(a) The Western Cape Government reserves the right to audit the B-BBEE status claim submitted by the bidder.

(b) As set out in Section 13O of the B-BBEE Act as amended, any misrepresentation constitutes a criminal offence. A person commits an offence if that person knowingly:
- **(i) misrepresents or attempts to misrepresent the B-BBEE status of an enterprise;**
- **(ii) provides false information or misrepresents information to a B-BBEE Verification Professional in order to secure a particular B-BBEE status or any benefit associated with compliance to the B-BBEE Act;**
- **(iii) provides false information or misrepresents information relevant to assessing the B-BBEE status of an enterprise to any organ of state or public entity; or**
- **(iv) engages in a fronting practice.**

(c) If a B-BBEE verification professional or any procurement officer or other official of an organ of state or public entity becomes aware of the commission of, or any attempt to commit any offence referred to in paragraph 9.1 (a) above will be reported to an appropriate law enforcement agency for investigation.

(d) Any person convicted of an offence by a court is liable in the case of contravention of 9.4 (b) to a fine or to imprisonment for a period not exceeding 10 years or to both a fine and such imprisonment or, if the convicted person is not a natural person, to a fine not exceeding 10% of its annual turnover.

(e) The purchaser may, if it becomes aware that a bidder may have obtained its B-BBEE status level of contribution on a fraudulent basis, investigate the matter. Should the investigation warrant a restriction be imposed, this will be referred to the National Treasury for investigation, processing and imposing the restriction on the National Treasury's List of Restricted Suppliers. The bidder or contractor, its shareholders, and directors, or only the shareholders and directors who acted on a fraudulent basis, may 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.

(f) The purchaser may, in addition to any other remedy it may have –
- **(i) disqualify the person from the bidding process;**
- **(j) recover costs, losses, or damages it has incurred or suffered as a result of that person's conduct;**
- **(ii) 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; and**
- **(iii) forward the matter for criminal prosecution.**

(g) The information furnished is true and correct.

(h) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 2 of this form.

SIGNATURE(S) OF THE BIDDER(S): ……………………………………………………………………

DATE: ………………………………………………………………………………………………………

ADDRESS: …………………………………………………………………………………………………

…….

WITNESSES:

1. …………………………………………

2. …………………………………………

1 I, the undersigned

Full name and surname	
Identity number	

2. Hereby declare under oath as follows:
(i) The contents of this statement are to the best of my knowledge a true reflection of the facts.
(ii) I am a member/director/owner of the following enterprise and am duly authorized to act on its behalf:

Enterprise name	
Trading name	
Registration number	
Enterprise address	

3. I hereby declare under oath that:

- The enterprise is ________________ % Black owned;
- The enterprise is ________________ % Black woman owned;
- Based on management accounts and other information available for the ________________ financial year, the income did not exceed R50 000, 000.00 (fifty million Rands)
- The entity is an Empowering Supplier in terms of Clause 3.3 (a) or (b) or (c) or (d) r I as amended (select one) __________ of **the dti** Codes of Good Practice.
- Please confirm in the table below the B-BBEE contributor **by ticking the applicable box.**

100% Black owned		**Level One** (135% B-BBEE procurement recognition)	
More than 51% Black owned		**Level Two** (125% B-BBEE procurement recognition)	
a) At least 25% of cost of sales (excluding labour costs and depreciation) must be procurement from local producers or suppliers in South Africa; For the service industry, include labour costs capped at 15%.		b) At least 50% of jobs created are for Black people, provided that the number of Black employees in the B-BBEE measurement verified immediately before is maintained.	
c) At least 25% transformation of raw material/beneficiation, which includes local manufacturing, production and/or assembly, and/or packaging.		d) At least 12 days per annum of productivity deployed in assisting QSE end EME beneficiaries to increase their operational or financial capacity.	
e) At least 85% of labour costs should be paid to South African employees by service industry entities.			

4. I know and understand the content of this affidavit, I have no objection to taking the prescribed oath, I consider the oath binding on my conscience and not on the owners of the enterprise which I represent in this matter.
5.The sworn affidavit will be valid for a period of 12 months from the date of signature by the commissioner.

Deponent signature: ______________________________

Date: ______________________________

____
Commissioner of Oaths signature & stamp

Contractor to initial……………………………..

NOTES

The purpose of this document is to:

(i) Draw special attention to certain general conditions applicable to government bids, contracts, and orders; and
(ii) To ensure that clients be familiar about the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if (applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown, or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing, or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 “GCC” means the General Conditions of Contract.

1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.17 “Manufacture” means the production of products in a factory using labour, materials, components, and machinery and includes other related value-adding activities.

1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 “Project site,” where applicable, means the place indicated in bidding documents.

1.21 “Purchaser” means the organization purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

1.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests, and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested, or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;

(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
(e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:

(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (17) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

17. Contract amendments

17.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration, and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2.

(b) if the Supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director, or other person who wholly or partly exercises or exercised or may exercise control over the

enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

(i) the name and address of the supplier and / or person restricted by the purchaser;

(ii) the date of commencement of the restriction
(iii) the period of restriction; and
(iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years.

The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all
reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder.

This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation (NIP) Programme

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34. Prohibition of Restrictive practices

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

CIRCULAR:

CALL FOR PROPOSALS FOR THE 2026/27 BUDGET FACILITY FOR INFRASTRUCTURE

February 2026

national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

A NATION THAT WORKS FOR ALL

2030 NDP

INTRODUCTION

The Budget Facility for Infrastructure (BFI) is an appraisal review process that supports the consideration of large-scale infrastructure proposals requiring fiscal support. Its objective is to ensure that investment decisions are informed by rigorous programme and project development, robust appraisal, sustainable financing and procurement strategies, and pragmatic delivery arrangements.

In line with ongoing budget reforms to improve allocative efficiency and the effectiveness of public spending, the BFI has been reconfigured to strengthen its strategic thrust and impact. Under the new arrangement, the BFI runs quarterly appraisal reviews in place of a single annual window. A National Treasury committee meets quarterly to consider evaluated proposals, make investment decisions and determine the appropriate fiscal instruments to support projects and programmes, where applicable. These instruments may include government guarantees, gap funding and other de-risking mechanisms. The scope of the facility has also been extended to include proposals in the pre-feasibility stage, with varied evaluation processes tailored to each stage of development.

The reconfiguration positions the BFI as a centralised gateway for large-scale infrastructure proposals requiring fiscal support to advance. It allows for earlier engagement with sponsors, enabling a continuous and investable pipeline; separates financing decisions from the evaluation and budget processes; and facilitates the crowding-in of non-fiscal resources.

The quarterly submission windows, together with the associated committee meeting dates for 2026/27, are outlined in Box 1.

Box 1: Submission Deadlines and Committee Meeting Dates

Window	Submission Deadline for Sponsors	Committee Meeting Dates
1	03 April 2026	17 - 19 June 2026
2	05 July 2026	16 - 18 September 2026
3	02 October 2026	09 - 11 December 2026
4	08 January 2027	17 - 19 March 2027

Sponsors should note that while submissions may be made at any time before the designated cutoff date(s), early submission is encouraged. Appraisal reviews require sufficient lead time to ensure the analysis is completed in time to meet scheduled committee meeting dates. Further, as the evaluation process is iterative, it relies on the timely and active participation of sponsors to address information gaps and respond to queries. Sponsors should also be aware that highly complex proposals may require more than one window to conclude. In such cases, the proposal will be carried forward and considered in the next available investment window. **Submissions received after a window's deadline will automatically be rolled over to the subsequent window.**

The BFI will only consider submissions that **meet the eligibility criteria and contain sufficient information** to inform decision-making.

ELIGIBILITY CRITERIA

The BFI will consider **new and existing infrastructure proposals** from public institutions[1] that meet the criteria below:

1. A **minimum capital cost threshold of R1 billion**. Proposals with a lower cost threshold may be considered in the case of projects or programmes that propose significant private sector financing and implementation.
2. Where impediments that prevent an intervention from proceeding can be **resolved through targeted fiscal support**. This could include (a) funding gaps that constrain the delivery of essential public services; (b) proposals requiring access to finance backed by a commitment to utilise future funding streams for debt repayment; (c) submissions under Private Sector Participation (PSP) frameworks, including Public Private Partnerships (PPPs), concessions and special purpose vehicles that have a viability or affordability gap linked to the social component of an otherwise commercially oriented initiative; or (d) there is a need for credit enhancement or other de-risking instruments to address market failures that undermine project bankability or limit private sector participation.
3. Submissions in the following stages of development (*see the* submission requirements *for more details*):
   - **Category A (Pre-feasibility):** Optional but encouraged. Proposals at this stage will receive initial feedback to refine and/or guide further development, preparation and packaging ahead of submission for fiscal support (i.e., Category B).
   - **Category B (Feasibility):** Proposals at this stage will be assessed for investment worthiness and, if deemed worthwhile, channelled to the relevant National Treasury structure for fiscal support consideration. This includes the Technical Committee of the Budget in the case of appropriations, the Fiscal Liabilities Committee in the case of government guarantees or referral for registration as PPP.
   - **Category C (Post-Feasibility):** Requires prior Category B assessment, completed planning and demonstrable readiness to contract and commence construction.
4. Submissions in key sectors of the economy, such as network and social services[2].

SUBMISSION REQUIREMENTS

Submissions must consist of a:

- **Primary Submission Report:** a concise summary of the proposal that is not longer than 20

[1] Public institutions include national, provincial, municipal spheres of government as well as public entities.

[2] Network services refer to economic infrastructure sectors such as energy, water and sanitation, transport and logistics, and digital communications. Social services refer to public service sectors including health, education, housing, and social development services.

pages *(see Box 2 for more details);*

- ***Completed Budget Statement Template*[3]*:*** a simplified or basic financial model template meant to capture key financial information to inform the budget estimates for the proposed project/programme;
- ***Letter(s) of Support*[4]** from the relevant national department, where applicable; and
- **Supporting documentation**, as tabled below.

Table 1: Indicative Supporting Documentation[5] per Category		
Category A	**Category B**	**Category C**
▪ *Pre-feasibility study or equivalent* ▪ *Basic socio-economic analysis reports and models* ▪ *Basic financial model*	▪ *Feasibility study or equivalent* ▪ *Conceptual designs* ▪ *Comprehensive socio-economic analysis reports and models* ▪ *Detailed financial model and report*	▪ *All Category B documentation* ▪ *Detailed implementation readiness plan that includes evidence of land availability for site access, obtained approvals and authorisations, signed agreements pertaining to institutional arrangements to support implementation, procurement demand plan, etc.*

Supporting documentation should contain sufficient information to validate arguments and conclusions made in the *Primary Submission Report*. The report should cross-reference the relevant supporting documentation, including specific sections and page numbers, for ease of reference. **The aspects that the supporting documentation must cover are outlined in the Annexure**.

The evaluation will consider all documents submitted to enable informed decision making, and failure to submit adequate information will result in the proposal not being considered.

Submissions must be made electronically and be directed to the Secretariat at: **infrastructure@treasury.gov.za**.

[3] Sponsors may download the template from the National Treasury website: http://www.treasury.gov.za/publications/guidelines.

[4] Letter of support is a formal endorsement of the proposal by the relevant national department in cases of submissions made by subnational spheres of government and public entities. The letter should be signed by the Director General of the national department or any person to whom the function is delegated (a letter of delegation should also be provided).

[5] Sponsors should note that the list is not exhaustive and may be expanded depending on the nature and complexity of a project/programme. The technical studies should cover elements presented in the Annexure.

Sponsors that require assistance with the preparation and/or packaging of proposals should contact the Secretariat for **referral to preparation facilities**. Alternatively, sponsors may independently seek preparation support.

The Secretariat will organise information sessions to provide high-level guidance on satisfying the eligibility criteria and technical requirements. Sponsors who require detailed guidance in addition to the scheduled information sessions should send their requests to the Secretariat for consideration.

Sponsors should note that the National Treasury is partnering with development financiers and other funders to support infrastructure projects and programmes. In 2025, the National Treasury issued the country's first Infrastructure and Development Finance Bond to finance eligible BFI infrastructure projects and/or programmes. This was additional to other measures to raise infrastructure finance, including through bilateral loans and concessional funding. These developments underscore the importance of transparent, timely, and high-quality reporting throughout the appraisal, implementation, and monitoring stages.

Accordingly, projects and programmes supported through the BFI will be subject to reporting and performance requirements to strengthen oversight, accountability, and value for money. Detailed reporting requirements will be communicated to sponsors separately and will form part of the conditions attached to fiscal support.[6]

Box 2: An Overview of Elements in the Primary Submission Report
1. A **description of the project/programme**, including owner/sponsor details; the sector(s) within which the intervention falls; stage of development, construction and operating periods; key stakeholder(s) tasked to plan/implement the intervention; and the legal mandates under which the planning/implementing institution(s) operate, amongst others. In addition, an account of the **internal prioritisation and approval processes** followed in the prioritisation of the project/programme should be detailed.
2. **A justification for the project/programme** through a description of the status quo, the challenges that the intervention seeks to resolve and their extent, demand analysis, and the consequences of not intervening.
3. A description of the **direct objective(s), outcome(s), and target(s)** of the project/programme.
4. A summary of the **technical options considered** to address the identified challenges, the advantages and disadvantages, the high-level costs, and the rationale for the preferred or selected option(s).
5. A **financial analysis and implications** highlighting the estimated capital, operations and maintenance costs over the intervention's full lifecycle; the proposed funding source(s) and funding requirements per source; cashflow projections; and a contingent liability statement, where applicable. Fiscal support requested through the BFI over the 2027 medium term expenditure framework (MTEF) period and beyond, and the rationale thereof must be explicitly stated.
6. A **socio-economic analysis** that reports on the quantified economic costs and benefits associated with the preferred option(s) and the anticipated wider and distributional impacts.
7. A **risk assessment** that identifies, describes, and groups key risks into major risk categories; uses a risk matrix to assign the likelihood of occurrence and quantify the impacts on the project/programme; and provides risk mitigation strategies.
8. A **procurement statement** that outlines the proposed delivery management, packaging, contracting, pricing and targeting strategies. A statement that highlights how the procurement strategy aligns with supply chain

[6] Proposals may be used as case studies to support capacity-building, knowledge sharing, and the documentation of best practices. In these cases, sensitive information will be protected.

management prescripts and adheres to constitutional requirements must be provided. A high-level procurement plan showing key milestones and timeframes must also be provided.

9. A statement of **institutional and operational readiness** highlighting the institutional arrangements in place and governance structures to be used to advance the project/programme; the capacity and capability of those tasked with planning/implementing the intervention; due diligence processes undertaken; and a high-level implementation plan.

EXCLUSIONS

The following submissions **will not** be considered in the BFI appraisal review process:

- Proposals that are fully commercial in nature and can be undertaken without fiscal support.
- Proposals requiring 100 per cent funding support.
- PPP proposals that have not received Treasury Approval I or Treasury View and Recommendations I.
- Departmental and municipal proposals that have not completed the relevant Framework for Infrastructure Delivery and Procurement Management gateway reviews.[7]
- Unsolicited bid proposals that are not endorsed by an eligible public sector sponsor.
- Proposals without a Primary Submission Report and/or supporting documentation.

APPRAISAL REVIEW PROCESS

The evaluation of proposals will be done in accordance with the 'Infrastructure Planning and Appraisal Guideline' (*refer to* Box 3 *for the link*). The Guideline establishes a standardised approach for the appraisal of submissions using appropriate and uniform methodologies. It also sets out the principles and criteria that should guide decisions on the suitability of projects and programmes, thereby promoting alignment across government, strengthening credibility in project selection, and supporting the development of a credible, investable pipeline. While not explicitly covered in the Guideline, sponsors are expected to integrate **climate resilience considerations** into their proposals in recognition of escalating climate-related risks and their potential impact on infrastructure performance.

All submissions will be pre-screened for alignment against the eligibility criteria. Only proposals that meet these criteria and provide adequate information (see Submission Requirements and the Annexure) will proceed to detailed technical analysis. Sponsors may consult the report titled "Common reasons why submissions fail to meet the BFI appraisal requirements" to avoid typical pitfalls (*see* Box 3). Proposals that demonstrate potential but are found to be underdeveloped during the pre-screening and/or detailed technical assessment may be referred to preparation facilities for further development support.

As part of the appraisal review process, the BFI will determine the most efficient fiscal support mechanism to address the impediment that hinders the project or programme from advancing.

[7] Proposals submitted under Categories B and C are expected, in line with good practice, to have completed the relevant early delivery stages of the FIDPM lifecycle, specifically the initiation and concept stages.

This determination will be informed by fiscal affordability within the MTEF period, fiscal risk exposure and sponsor capability, amongst other considerations. In this regard, the recommended fiscal instrument(s) may differ from those initially proposed by the sponsor.

Proposals whose recommendations for fiscal support are accepted by the committee will be channelled to the relevant National Treasury structure(s) for consideration. **Final decisions on these will be made by the relevant structures, in line with applicable processes.**

Box 3: Useful Resources
▪ Common Pitfalls: https://www.gtac.gov.za/wp-content/uploads/2023/05/the-bfi-appraisal-requirementsfs_final_v2.pdf ▪ Planning and Appraisal Guideline: https://www.treasury.gov.za/publications/guidelines/Infrastructure%20Planning%20and%20Appraisal%20Guideline.pdf ▪ National Parameters and Commodity Specific Conversion Factors database: https://sa.cri-world.com/ ▪ Framework for Infrastructure Delivery and Procurement Management (FIDPM): https://cdn.ymaws.com/www.safcec.org.za/resource/resmgr/construction_legislation/fipdm/fipdm_201 9.pdf ▪ Standard For Uniformity in Engineering And Construction Works Contracts: https://www.cidb.org.za/wp-content/uploads/2021/07/Standard-for-Uniformity-August-2019.pdf

ANNEXURE: ELEMENTS OF THE DETAILED SUBMISSION

1) DESCRIPTION

The section must provide key project/programme information, including the name, main features (i.e., output, service levels and capacity) and location(s) of the intervention; project/programme phasing; the associated infrastructure sector(s) of intervention; strategic nature of the project/programme; stage(s) of development; estimated construction and operating periods; and the sponsor institution, other key stakeholder(s) tasked to plan/implement the intervention and their respective roles and responsibilities, and the legal mandate under which the planning/implementing institution(s) operate; amongst others.

The section should also describe the **internal (organisation-level) processes followed in prioritising and approving the project/programme** that resulted in the intervention being regarded as a priority and/or strategic undertaking. Moreover, the sponsor should demonstrate the intervention's alignment with national and/or sector strategies or master plans, and relevant provincial or municipal plans (e.g. Integrated Development Plan(s), Spatial Development Framework(s), and National Infrastructure Plan 2050). The section should further detail the interdependencies of the project/programme with other interventions, where applicable.

The section should end by highlighting the reasons for approaching the BFI (i.e., what form of fiscal support is required, what the support is intended to enable, and why the requested instrument is appropriate for the intervention in question). Where funding is required, the section should specify how much is requested through the BFI: (a) as a total, (b) annual estimates over the 2027 MTEF period and beyond, and (c) how the balance will be funded/financed.

Note for Sponsors: Should the intervention for which fiscal support is sought be part of the larger project/programme, all other phases/components/related interventions should be clearly outlined, highlighting their intent, scope, implementation timeframes, interdependencies, and how these were or are to be funded/financed.

2) JUSTIFICATION

a) The purpose of the section is to outline the need for the project/programme and justify the scale and timing of the intervention. The section can be divided into two parts:
b) **Needs analysis:** The subsection details the market analysis conducted and describes the status quo under which the intervention is proposed; the challenges that the intervention seeks to resolve, their extent and impacts; the factors that contribute to the challenges; the consequences if the intervention is not implemented; and identifies potential beneficiaries of the intervention and a justification for their selection.
c) **Note for Sponsors**: While it is imperative for condition assessment(s) undertaken to be attached, the sponsor should summarise the findings from these and make a case for the project/programme to demonstrate urgency to intervene. Further, **the extent of the challenges experienced under the status quo should be quantified**

to demonstrate and substantiate their scale and severity.

d) **Demand analysis:** The subsection assesses the factors that underpin the demand for the intervention; how these factors translate into demand; and quantifies the current levels of demand and how it is expected to evolve into the future. The demand profile of the project/programme must be compared against the intervention's proposed output to gauge if the project/programme is appropriately sized and well-timed. Lastly, the subsection should clearly outline key assumptions underpinning the demand estimates, reference and attach the main data sources and, where applicable, include relevant historical data to support the analysis.

3) OBJECTIVES

This section sets out the desired objective(s) and outcome(s) of the intervention. The purpose is to define what the intervention is trying to achieve; the extent to which the intervention will contribute to addressing or alleviating the challenges articulated in the previous section; and what would constitute a successful outcome or set of outcomes. The section further highlights the broad contributions of the intervention to the economy and society at large, to demonstrate ways in which the project/programme will contribute to inclusive economic growth and alleviate prevailing social challenges.

Note for Sponsors: The objective(s) must be specific, measurable, achievable, relevant, and time-bound (SMART), and expressed in general terms so that the range of solution options to achieve them can be easily identified. It is also important to identify project/programme outcome(s) that are directly related to the identified challenges and objective(s). In terms of the project/programme's broader contributions to the economy and society, indicators such as gross domestic product and local economic participation should be outlined.

4) OPTIONS ANALYSIS

The section describes the options considered during the pre-feasibility/feasibility stage to demonstrate that the technical solution chosen is optimal and provides value for money to government. The purpose of the section is to critically evaluate possible options against each other to ensure that the selected option(s) can achieve the objectives better and cost-effectively.

Sponsors must present the technical options considered at the pre-feasibility/feasibility stage, and describe each option in detail, covering aspects such as technical configurations and specifications (i.e., output, capacity, service levels and site selection), and **environmental safeguards**, amongst others. Further, the advantages and disadvantages of each option, high-level costs and benefits, and trade-offs must be discussed. Examples of trade-offs to consider could be whether conceptual designs are available, meaning delivery for a particular option can be expedited, or **if there are potentially significant adverse environmental** and social consequences associated with an option. Also, the extent to which each proposed solution meets and resolves the core challenge must be demonstrated.

The preferred option(s) must be explicitly stated together with a rationale for its suitability, effectiveness, and cost-efficiency compared to alternatives. When estimating and comparing the high-level costs and benefits of options, the sponsor must consider the full life cycle costs and benefits of the project/programme (i.e., capital, maintenance and operational costs and impacts over the useful life of the asset(s)). The section should ultimately articulate the merits of the selected intervention(s) based on its technical, financial, economic, environmental, and social viability, demonstrating how the preferred option(s) meets the objectives more effectively compared to alternatives.

5) FINANCIAL ANALYSIS AND IMPLICATIONS

In this section, sponsors must assess the financial implications, affordability and sustainability of the intervention over its lifetime. The section draws on the estimates in the completed *Budget Statement Template* or detailed financial model, especially for commercially oriented projects/programmes and when further detail on the financial structure is provided.

The section must begin by detailing the assumptions and methods used to derive the estimates in the *Budget Statement Template* and financial model (where applicable), and the associated level of confidence. The sponsor must ensure that all cost estimates are accurate and reasonable and, where applicable, make use of cost benchmarks or norms and standards. To the extent that third-party estimates are presented, sources must be provided for ease of verification. The estimates must be provided in annual terms, with an explicit indication of whether these are inclusive or exclusive of value-added tax.

The section is further divided into the following four financial statements:

a) **Expenditure statement (uses of funds).** This statement provides a detailed record of payments associated with implementing the project/programme and its services. The expenditure statement should cover all capital payments involved in the construction of the asset(s), broken down by cost category, and interest incurred during construction, where debt is used. It should also detail the operating payments associated with running and maintaining the asset(s) over its useful life, including routine and capitalised costs. All the other payments associated with the intervention must also be reflected.

b) **Funding statement (sources of funds).** This statement shows all the sources that will be mobilised to fund the costs indicated in the Expenditure Statement. This may include internal funds, equitable share, conditional grants, revenues generated through direct user charges, debt and donor funding. Any debt, equity obligations or concession arrangements that the sponsor intends to mobilise in favour of the project/programme must be disclosed, together with their terms and conditions. Confirmation of support and availability of budgets from the institutions from which the funds are purported to flow, along with associated terms, costs and dependencies must be outlined. The form and value of fiscal support required through the BFI must be explicitly stated in this statement, as well as the period over which the support is required and the rationale thereof. In this regard, **sponsors must demonstrate how providing support through the BFI is appropriate and optimal compared to alternatives.**

c) **Cashflow statement.** The sponsor should provide a comprehensive account of the financial inflows and outflows associated with the capital, operations, maintenance and financing activities **over the life** of the asset(s). Where financial inflows are not sufficient to fund operations and maintenance costs, the sponsor must provide a plan to meet these obligations. In addition, the statement must demonstrate the extent to which the project/programme performs against financial matrices such as the net present value (NPV), internal rate of return (IRR), Debt-Service Coverage Ratio, etc, particularly for interventions that are revenue-generating or those intending to use debt.

d) **Contingent liability statement.** Any sovereign guarantees, provisions or obligations that could give rise to fiscal liabilities in the future because of any explicit contractual eventuality should be fully disclosed. The statement should give details of all explicit liabilities that will accrue to the national government, as well as the extent and consequences thereof. The statement does not apply to projects/programmes in the local government sphere.

The section ends by **conducting a quantitative sensitivity analysis**, testing the impact of changes in various modelling assumptions on the financial viability of the project/programme and identifying the most sensitive variables. This is because assumptions underpinning financial analyses are subjectively estimated and are likely to change over the life of projects/programmes. The submission must also outline the assumptions forming the basis for the sensitivity analysis and provide the rationale for the shocks applied. It is expected that the sensitivity analysis undertaken will be reflected in the financial model and report for projects/programmes under categories B and C.

6) SOCIO-ECONOMIC ANALYSIS

The purpose of this section is to assess the economic costs and benefits of each identified option using either a cost-benefit analysis (CBA) to determine whether an option is welfare-enhancing; or a cost- effectiveness analysis (CEA) to identify the option that achieves the objective(s) at the least cost. These analyses are critical to justify fiscal support. The *Infrastructure Planning and Appraisal Guideline* provides details on the CBA[8] and CEA[9] methodologies.

Broadly, a CBA is employed when the impacts of a project/programme can be monetised, as with most economic infrastructure interventions. It seeks to establish whether a particular investment is the most efficient use of society's resources. On the other hand, a CEA is typically used for social projects/programmes where benefits can be measured in physical units but cannot be credibly or appropriately monetised. A CEA assesses each option on its relative costs to select the least costly option(s), or the option(s) that has the

[8] CBA methodology can be found on pages 28 – 45 of the Infrastructure Planning and Appraisal Guideline.

[9] CEA methodology can be found on pages 66 – 70 of the Infrastructure Planning and Appraisal Guideline.

least cost per unit of benefit (assuming the benefits are the same across the options).

The section must report the analysis undertaken in a clear and transparent manner, including providing the assumptions, methods and sources of data and estimates used, together with the rationale for their selection. The perspective from which the CBA/CEA is undertaken, and the definition of the base case, must be clearly articulated. The section further needs to discuss the impacts identified for each option; categorise them into costs and benefits; show the sequence of when the impacts will occur over the life of the project/programme, and the applied methods and steps to quantify and/or monetise these. The results of the analysis undertaken must be presented accordingly. For CBA, this includes comparison of the economic NPV, economic IRR and the benefit-cost ratio (BCR) of each of the options. In the case of CEA, results must be presented as the cost per unit of outcome, allowing options to be ranked based on cost-effectiveness. Importantly, the underlying CBA/CEA model, in Excel format, and a detailed report must be attached.

Note to Sponsors: The National Treasury has developed **a database of commodity-specific economic conversion factors[10] necessary for undertaking a CBA and CEA.** The recommended social discount rate is 10 per cent. Further, sponsors are reminded to **use economic prices to value impacts**, as opposed to financial or market prices, and that each option's impacts should be assessed on their marginal or **incremental effect**, by estimating the change in impact under each option against the base case. In addition, sponsors must ensure that the CBA or CEA conducted is **methodologically robust and sound, and is reported in a manner that enables ease of verification.**

To demonstrate the robustness of the CBA results, the sponsor must **conduct a quantitative sensitivity analysis**, testing the impact of changes in various modelling assumptions on the economic viability of the project/programme and identifying the most sensitive variables. This is because the assumptions underpinning CBA/CEA tools are subjectively estimated and likely to change over the life of projects/programmes. The submission must also outline the assumptions forming the basis for the sensitivity analysis and provide the rationale for the shocks applied. It is expected that the sensitivity analysis undertaken will be reflected in the CBA/CEA model and report for projects/programmes under categories B and C.

To complement the CBA and CEA, a wider and distributional impact assessment should be included for the proposed intervention, using tools such as the social accounting matrix, input-output model, or computable general equilibrium models. These tools show the project/programme's contribution to the economy and society by considering variables such as job creation, business sales

[10] These parameters are available at http://sa.cri-world.com/.

generated, gross domestic product impacts, or analysis of impacts on the marginalised and vulnerable members of society, amongst others. These tools are also useful for understanding the distributional impacts of the intervention. The underlying model and report that details the methodology adopted, assumptions made, the associated rationale, the application of the methodology (e.g., multipliers used and the associated sectors) and the results, as well as their interpretation, must be submitted.

7) RISK STATEMENT[11]

The infrastructure considered by the facility is large in scale and complex, involving multiple stakeholders and interdependent dimensions that are often difficult to anticipate or manage. This elevates the risk profile of the interventions, particularly as they entail significant long-term financial commitments. As such, the interventions may carry material implications for fiscal sustainability and compromise the sponsor's financial sustainability and reduce their future budgetary flexibility.

This section is therefore essential in demonstrating that the sponsor has identified all the plausible risks that may undermine the attainment of envisioned programme/project outcomes, and has developed appropriate strategies to manage these and minimise their potential impacts. In particular, the section must identify, describe and categorise potential risks during construction and operations into technical, financial, economic, social, and political risks, etc.; assign the risks' likelihood of occurrence and rank the impacts in a matrix; and provide a robust and detailed plan of measures to mitigate and manage the identified risks, including the roles and responsibilities of those involved in the plan. The risk analysis should be comprehensive, and the methodology applied for assigning the likelihood of the risks occurring and their severity must be clearly outlined.

Note to Sponsors: A comprehensive risk matrix accompanied by a robust mitigation plan is required for projects/programmes under categories B and C.

7) PROCUREMENT STATEMENT

This section is important in demonstrating the effectiveness and efficiency of the adopted procurement strategy, adherence to supply chain prescriptions and, where applicable, shovel readiness.

A procurement strategy details the procurement needs and requirements of the project/programme; the explored and selected delivery management, packaging, contracting, pricing and targeting options; and procurement procedure(s) to be followed for all the required goods and services to ensure alignment with constitutional requirements and other legislative prescripts. The rationale for

[11] Refer to pages 42 – 45 the *Infrastructure Planning and Appraisal Guideline* for detail on the Risk Statement.

adopting a particular option(s) compared to alternatives must be clearly demonstrated.

A procurement strategy must include the following:

a) **The procurement needs of the project/programme.** State and describe the goods and services needed to support the implementation of the proposed intervention. This could include professional services provider(s), implementing agent(s), contractor(s), etc. The role(s) and scope of each service provider must be stated. Where professional service providers have already been procured, this must be disclosed, including the identity of the service provider(s) and the agreements governing their engagement, specifying key terms such as the scope of work, deliverables and duration of contract.

b) **Delivery management strategy.** The submission must indicate the delivery management modality proposed or adopted for the project/programme to support implementation. This could include traditional delivery models such as the use of in-house resources, Implementing Agent and other organs of state's framework agreements; or non-traditional strategies such as PPPs, leasing of property and outsourcing.

c) **Packaging strategy.** The sponsor should decide whether the procurement needs will be delivered as a programme or a series of independent projects. This will inform the package plan must be specified. Factors to consider when packaging works include interdependencies between projects and programmes, whether or not framework agreements will be put in place, levels of competition amongst contractors, organisational and managerial complexities, the spatial location of projects, the scale and nature of the work, economy of scale, the manner in which interfaces between packages are to be managed and controlled, project risk, risk allocations, programming (scheduling) requirements, attractiveness to markets, matching contractor skills and capabilities, commissioning requirements, deployment of administrative resources, scope of service and secondary (developmental) procurement policy objectives.

d) **Contracting strategy and forms of contract.** Depending on the delivery management strategy, the sponsor must consider contracting strategies (e.g. design by employer, design and construct, develop and construct, and management contractor. In addition, forms of contract (e.g., general conditions of contract, joint building contracts committee, international federation of consulting engineers, and new engineering contract) must also be explored in line with the procurement needs to determine the most suitable combination for the project/programme.

e) **Pricing strategy.** The submission must detail the pricing strategies (e.g., price-based and cost-based) selected or proposed to secure financial offers and remunerate service provider(s).

Note to Sponsors: For the delivery, contracting and pricing strategies, the sponsor is expected to undertake a procurement options analysis, demonstrating how the proposed modalities effectively meet the procurement needs and achieve better value for money relative to alternatives. In deciding on an appropriate set of options with respect to these strategies, supporting documentation should detail the advantages and disadvantages of each option, risks and trade-offs, and the rationale for the chosen option(s).

a) **Targeting strategy.** The sponsor should specify the targeting strategies (e.g., local content, youth employment creation, Broad-Based Black Economic Empowerment and gender equity) that are to be employed to achieve the secondary or developmental objectives of the project/programme.

b) **Procurement procedure.** This subsection should include the proposed procurement strategies for attracting and selecting suitable service providers (e.g., open tender, negotiated procedure and two-stage process); evaluation procedures; and contractual mechanisms (e.g., mandatory subcontracting and incentives for key performance indicators). The procurement procedure must demonstrate **alignment with the requirements for a fair, equitable, transparent, competitive, and cost-effective process**.

c) **Procurement plan.** A detailed plan with estimated milestones, timelines and roles and responsibilities of the stakeholder(s) involved must be provided. The procurement timeframes must demonstrate that the sponsor would be able to procure, contract and/or construct over the 2027 MTEF period following formal confirmation of fiscal support.

Note to Sponsors: The consideration of the above aspects should be at an advanced stage at the time of submission for a proposal to demonstrate shovel-readiness, especially for interventions in categories B and C.

8) INSTITUTIONAL AND OPERATIONAL READINESS

The purpose of the section is to demonstrate that the necessary institutional arrangements and governance structures are in place, and the client and delivery team(s) have the skills and capacity required to deliver the project/programme on time, within budget and to specifications. The following elements must be included in the submission:

a) **Mandate:** Confirms the mandate of the sponsor to undertake the project/programme and their operating environment. Should the responsibility to implement be ceded to another party, the relevant authorisations must be attached.

b) **Governance and institutional arrangements:** Detail the project/programme's governance structure, institutional arrangements that reflect all stakeholders involved in the planning/implementation of the intervention and their respective roles and responsibilities. The governance structures need to be specific to the intervention and show clear **reporting lines, and internal controls and systems** to ensure accountability. In the case of a project/programme that involves multiple institutions, a stakeholder coordination plan and signed agreements (i.e., Memoranda of Agreement/Understanding or Service Level Agreements) must be submitted. Lastly, **monitoring and evaluation plans**, incentives and/or penalties to be put in place to support successful delivery must also be highlighted.

c) **Capacity**: Demonstrate that there is or there will be sufficient capacity within the responsible institution(s) and team(s) to deliver the project/programme on time, on budget and to specifications. This should be done by outlining **the skills profiles**[12] of the project/programme team and skills/capacity gaps. In instances where gaps are identified within the project/programme team, the plans for human resources and funding requirements needed to support project/programme implementation must be outlined. Moreover, **a track record of the project/programme teams and institutions** in delivering interventions of similar complexity and magnitude should be demonstrated by detailing the names and high-level descriptions of previously undertaken projects/programmes, their scope, and delivery cost and time performance indicators (i.e., approved baseline budget at contract award and the final costs; and contractual completion date and the actual date of completion). In instances where cost overruns or schedule delays were experienced, the sponsor should outline the reasons for the deviations. To strengthen the submission, sponsors may indicate whether the projects/programmes were completed in accordance with the specified technical and performance standards, and whether any significant defects or performance failures were recorded.

d) **Legal and technical due diligence:** Confirm which statutory and technical requirements the project/programme has complied with and which are yet to be complied with. These include authorisations and approvals for required licenses and permits, compliance with sector regulations, norms and standards, and environmental impact assessments and management plans. Further, confirm the suitability and availability of the site(s), basic designs, and environmental safeguards. To the extent that some of the authorisations and approvals have not yet been secured, the sponsor should outline challenges, if any, and anticipated timeframes for finalising these.

e) **Implementation plan:** A detailed rollout plan that clearly shows the key delivery milestones, timelines and relevant stakeholders responsible for each milestone must be provided. This must also reflect how implementation will be phased, where relevant, and be aligned with the expenditure profile of the intervention.

[12] The skills profile should demonstrate each team member's role in the project/programme, and technical expertise. This is beyond attaching CVs.

In addition to the above, the section should state any constraints that may prevent successful project/programme implementation and/or operations.

[END]