

**UMZINYATHI DISTRICT DEVELOPMENT AGENCY**



**T-UDA-2023-01**

**SPECIFICATION AND BID DOCUMENT FOR T-UDA-2023-01: APPOINTMENT OF  
SERVICE PROVIDER TO DEVELOP THE UMZINYATHI INTEGRATED SPATIAL  
ECONOMIC DEVELOPMENT PLAN**

**CLOSING DATE:** 05<sup>th</sup> September 2022

**CLOSING TIME:** 13H00 PM

**NAME OF BIDDER:** .....

**POSTAL ADDRESS:** .....

.....

.....

**TELEPHONE NUMBER:** .....

**FAX NUMBER:** .....

**E- MAIL ADDRESS:** .....

## ADVERTISEMENT

### ADVERT T-UDA-2023-01- APPOINTMENT OF SERVICE PROVIDER TO DEVELOP THE UMZINYATHI INTEGRATED SPATIAL ECONOMIC DEVELOPMENT PLAN

uMzinyathi District Development Agency seeks to enter into Service Level Agreement with non-profit companies to help the Agency to plan and implement inclusive agricultural economy projects within uMzinyathi District Municipality for a period of three years. Terms of reference will be available from the website of uMzinyathi District Municipality. Successful applicants will help the Agency to prepare funding proposals, conduct feasibility studies and business plans and support the Agency to implement funded business plans.

Tender documents will be available as from **Monday, August 22, 2022** on the e-tender portal, the Municipal Website [www.umzinyathi.gov.za](http://www.umzinyathi.gov.za) and Ilanga Newspaper. All tenderers must be registered with Centralized Supplier Database (CSD) and must be Tax Compliant.

Failure to obtain a Bid Specification Document will result in the immediate disqualification of your bid. Bids may only be submitted on the bid specification documentation provided by the Municipality.

Tenders will be evaluated and adjudicated on the Functionality Criteria and thereafter bidders who score a minimum required number of points will be further evaluated using the 80/20 Preferential Point System as prescribed in the Council Supply Chain Management Policy. Only bidders who score a minimum required number of **70 points** will be shortlisted. All tenderers must be registered with Centralized Supplier Database (CSD) and must be Tax Compliant.

The following **Functionality Evaluation Criteria** will be applicable:

Evaluation Criteria for both tenders	Maximum Allocated Points
<b>Proposed project plan and methodology.</b>	<b>40</b>
<b>Qualifications of the Team Leader.</b>	<b>15</b>
<b>Technical capability/expertise and track record of the Team Leader</b>	<b>15</b>
<b>Company's experience, track record and knowledge in completing detailed research/ policy documents and strategies, Evidence of previously completed work</b>	<b>30</b>
<b>Total</b>	<b>100</b>

The completed tender documents complying with all conditions of the tender must be enclosed in a sealed envelope and clearly marked: **T-UDA-2023-01- APPOINTMENT OF SERVICE PROVIDER TO DEVELOP  
THE UMZINYATHI INTEGRATED SPATIAL ECONOMIC DEVELOPMENT PLAN**

must be deposited in the official tender box located at the reception area, **Princess Magogo Building, 39 Victoria Street, Dundee 3000**, no later than closing date **Monday, 05<sup>th</sup> September 2022, at 13h00** which will be followed by a public opening. Late bids or bids received by way of post, facsimile or e-mail will, under no circumstances be considered.

uMzinyathi District Municipality is not obliged to appoint the lowest bid and further reserves the right not to proceed herein and further reserves the right not to accept any bid or part thereof. No proposal will be considered from persons in the service of the state.

Enquiries can be directed to Mr. Sphephelo Mkhize and Ms Ntombi Mtolo, Tel no: 087 527 0837 and e-mail: [businessdev@umziagency.co.za](mailto:businessdev@umziagency.co.za)

## **SPECIAL CONDITIONS OF BID**

1. The closing date and time for submission of bids is as indicated in the notice calling for bids.
2. No bid received after the closing date will be considered.

Sealed bids, clearly marked **"Bid No: T-UDA-2023-01 – APPOINTMENT OF SERVICE PROVIDER TO DEVELOP THE UMZINYATHI INTEGRATED SPATIAL ECONOMIC DEVELOPMENT PLAN**

must be placed in the tender box situated in the foyer of the Princess Magogo Building, 39 Victoria Street, Dundee, not later than **Monday, 05<sup>th</sup> September 2022, at 13H00.**

3. Bids must remain valid for a period of 120 days from closing date for submission of bids.
4. Bids shall be adjudicated in terms of the Supply Chain Management Policy of UMzinyathi District Development Agency.
5. The acceptance of a bid shall be subject to the approval of the Bid Adjudication Committee, without which approval no contract shall be entered into.
6. Bidders must initial every page of the document.
7. The point allocation used for the adjudication of this bid is provided on MBD 6.1. This form must be duly completed and signed by the authorized person for preferential points to be allowed.
8. No bid shall be considered, unless it is submitted on the attached bidding documents.
9. Failure to complete the forms in every aspect as requested may invalidate the bid.
10. No bids submitted by telefax, telex, telegram or electronic mail will be considered.
11. All prices must be in South African currency.
12. Please note, Bidders are to familiarize themselves with the conditions of payment as laid down in point 16.3 of the General Conditions of Contract.
13. Bidders will not be informed whether they have been successful, but the name of the successful bidder will be published on the municipal website.

## **GENERAL CONDITIONS OF CONTRACT**

### **TABLE OF CLAUSES**

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information inspection
6. Patent Rights
7. Performance security
8. Inspections, tests and analyses
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental Services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Variation orders
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Anti-dumping and countervailing duties and rights
25. Force Majeure
26. Termination for insolvency
27. Settlement of Disputes
28. Limitation of Liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. Transfer of contracts
34. Amendments of contracts
35. Prohibitions of restrictive practices

#### **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 goods 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 goods 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.

1.18 “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 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.

1.26 “Tort” means in breach of contract.

1.27 “Turnkey” means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.

1.28.1 “Written” or “in writing” means hand-written 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 (excluding professional services related to the building and construction industry), 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 goods, services or works.
- 2.3 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 nonrefundable fee for documents may be charged.
- 3.2 Invitations to bid are usually published in locally distributed news media and on the municipal website.

### **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.
- 6.2 When a supplier developed documentation / projects for the municipality, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality.

### **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.

## **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 goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser.
- 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 goods 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 goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods 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 goods 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 goods 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 goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods 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 22 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, and in any subsequent instructions ordered by the purchaser.

## **10.Delivery and documents**

- 10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the supplier in accordance with the terms specified in the contract.

## **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.

## **12.Transportation**

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

## **13.Incidental Services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:
- (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, 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 (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.
- 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 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, 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.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment 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.

## **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 or in the purchaser's request for bid validity extension, as the case may be.

## **18.Variation orders**

- 18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

## **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 contracts 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 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 goods are required, or the supplier's services are not readily available.
- 21.4 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 22.2 without the application of penalties.
- 21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods 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 judgement 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 supplier as having no objection and proceed with the restriction.
- 23.5 . Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, 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 firstmentioned person, is or was in the opinion of the purchaser 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. Antidumping 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 supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods 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 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 for goods delivered and / or services rendered according to the prescripts of the contract.

## **28.Limitation of Liability**

- 28.1 Except in cases of criminal negligence or willful 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.

## **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 SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

### **33.Transfer of contracts**

- 33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

### **34.Amendment of contracts**

- 34.1.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

## **35. PROHIBITION OF RESTRICTIVE PRACTICES**

35.1 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.

35.2 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 section 59 of the Competition Act No 89 Of 1998.

35.3 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.

## **SPECIFICATION OF GOODS OR SERVICES REQUIRED:**

### **1. BACKGROUND**

The uMzinyathi District is located centrally in the KwaZulu-Natal (KZN) province with Endumeni Municipality representing a central point in the district. The district has a total area of 8 079 square kilometres with a population of 567 568 people of the total population, 93% are located in the rural areas and 7% urban.

The district includes some of the poorest and most underdeveloped rural areas of KZN, in total the district has four local municipalities;

- Endumeni which has a strong coal mining industry and is historically associated with the towns of Dundee and Glencoe. Cattle and crop farming is currently a key feature of the economic landscape.
- Nqutu Local Municipality which is located at the east of Endumeni, the town of Nqutu is the main rural center. The pre-dominant land use in the municipality is traditional settlement.
- Msinga Local Municipality is straddled the Thukela River, uMsinga is generally viewed as one of the municipalities with the highest poverty levels in South Africa. Tugela Ferry is the only significant rural center serving the population of nearly 200 000 people in the Municipality.
- UMvoti Local Municipality is the southern-most municipality in the district with a strong agricultural economy with timber being the major product of the region. Greytown is a fully developed agricultural service center that also serves substantial rural settlement areas.
- The economic structure of the district indicates that the largest contributors towards the district's growth are social and public services, which contribute 27.7% and 14.4% respectively (more than 40% of the regions total economic contribution). The dominance of the social and government services in the region is a strong indicator of the district's status as a predominantly rural region.
- The regional centres of the district with substantial commercial and agricultural economic activity include Dundee and Greytown identified in the Provincial Spatial Economic Development Strategy as strategic and local influence nodes critical for the enhancement of growth and job creation in the district.

Evidently these parts of the district experience relatively lower levels of poverty with higher levels of poverty mostly straddling towards the more rural parts of the district (Nqutu and Msinga). Although a number of initiatives are continuously being implemented to enhance growth, create employment and alleviate poverty, there is a need to consolidate these efforts through a formalised long term integrated economic development plan.

- Additionally, through this process it is envisaged that key development economic activities will be identified in an effort to address the prevalent spatial economic inequalities in the district and in so doing align to the key developmental imperatives of the KwaZulu-Natal Provincial Spatial Economic Development Strategy which has informed the need for integrated planning in district and local municipalities.

## **2. PURPOSE**

The purpose of the terms of reference is to appoint a qualified service provider to assist UMzinyathi District municipality to formulate the Integrated Long Term Spatial Economic Development Plan over a period of six months.

## **3. OBJECTIVES**

The overall objective of the TOR is to inform the process of appointing a service provider to develop the Integrated Long Term Spatial Economic Development Plan beyond the 5 year cycle. The objective is to have a longer-term view of the developmental needs of the district and get buy-in from various stakeholders including National and Provincial Government as well as the Private Sector to build momentum to implement priority projects to change the economic landscape of the district. Hence the plan should include detailed sector-based business plan, identify high impact priority or catalytic projects, development nodes and corridors, implementation plan and monitoring and evaluation framework for UMzinyathi area of jurisdiction, which will supplement and integrate the standard municipal procedures such as the Integrated Development Plan (IDPs) and later inform new economic, social and environmental developments.

### **3.1 Specific objectives;**

The specific objectives of the projects are as follows;

- To develop a detailed situation analysis with greater focus on active and potential economic sectors;
- To develop a comprehensive Integrated Long Term Spatial Economic Development Plan; which is characterized by sound and credible nodal and corridor based economic development proposals for future growth and prosperity,
- To develop a workable Project design framework which is in alignment with District Spatial Development Framework and Provincial Spatial economic framework proposals.
- To develop credible spatial investment mapping for the entire district;
- To develop a comprehensive business plan for identified economic drivers and packaging priority projects;
- To develop a detailed implementation plan including the institutional framework; and
- To provide monitoring and evaluation plan.

### **3.1.1 Situation analysis**

- Socio-economic analysis;
- Determine the current state of development and spatial reality;
- Identify existing economic drivers;
- SWOT analysis; and
- Stakeholder engagements.

### **3.1.2 Integrated Spatial Long Term Economic Development Plan**

- Compile spatial integrated economic framework proposals as per district wide nodal points and corridors which has detailed developmental hindrances and recommend new approaches for enhanced development;
- Determine and map feasible economic opportunities per identified economic sectors in alignment with district nodes and corridors of development; Recommend projects with high economic spin-offs that the government can implement in the short- and Long-term to attract private investment;



- Identify Private led initiatives and provide implementation status or relative future plans of such initiatives. These projects will also have to be mapped accordingly.
- Provide an overview of land right issues relating to development zoning; and further allude to land ownership status within the district.
- Mapping of the major economic drivers within the region

### **3.1.3 Business plan**

- Locate and map all capital projects according to its priorities and suggested investors/ anchor developers for each;
- Develop a feasible business plan inclusive of all identified economic drivers;
- Identify/ list the derivatives of the proposed investment; and
- Stakeholder engagements with private investors and local business owners/ road show to potential investors.

### **3.1.4 Implementation Plan/Roadmap**

- Develop the implementation plan with specific initiatives/projects for the short, medium, and long term and propose an institutional framework to implement the strategy with at least 10-year implementation horizon;
- Propose an implementable institutional framework;
- Articulate the roles of different stakeholders; and
- Prioritization of projects in terms of timeframes, budget and impacts.

### **3.1.5 Monitoring and Evaluation Framework**

- The development of a Monitoring and Evaluation Framework for the duration of the plan period which will allow the municipality, department and the province to:
- Effectively monitor and evaluate the implementation of the Integrated Economic Development Plan; and
- Incorporate lessons learnt into the decision-making process of implementing further development programmes.

### 3.1.6 Closure

- Integrated Long Term Spatial Economic Development Plan;
- Business plan;
- Implementation plan;
- Monitoring and evaluation framework;
- Standard presentation; and
- Final documents must be submitted in both hard and soft copies Scope of work

## 4. 4 SCOPE OF WORK

**Table 1: Project scope and deliverables**

PHASES	ACTIVITIES	DELIVERABLES
<p><b>Phase 1: Inception Report</b></p> <p>The objective of the inception phase is to lay a foundation for the successful implementation of the project and validating the terms of reference for the project. The implementation plan must include the detailed project plan and methodology.</p>	<ul style="list-style-type: none"> <li>• Information gathering and desktop research;</li> <li>• Finalization of professional services contract;</li> <li>• Provision of a detailed project programme;</li> <li>• Refinement of project brief;</li> <li>• Stakeholder identification; and</li> </ul> <p>Extensive stakeholder engagement.</p>	<ul style="list-style-type: none"> <li>• Signed Service Level Agreement</li> </ul> <p>Detailed Inception report</p>
<p><b>Phase 2: Situation analysis</b></p> <p>The situation analysis should give a background and map current economic, social and environmental developments around the study area. It should give detailed report on the</p>	<ul style="list-style-type: none"> <li>• Spatial analysis, including environmental, transport and infrastructure analysis;</li> <li>• Detailed economic analysis and the identification of key and specific priority sectors;</li> <li>• Alignment with relevant national, provincial and economic plans and</li> </ul>	<p>A detailed status quo report.</p>

<p>current economic drivers in the municipality and further identify current major economic players/investors in the area.</p>	<p>strategies;</p> <ul style="list-style-type: none"> <li>• Overview of statutory and planning processes being undertaken over the regions. This includes but is not limited to: <ul style="list-style-type: none"> <li>◦ Current Municipal SDFs, Spatial Plans &amp; Economic Strategies and Infrastructure Plans; and</li> <li>Current Provincial SDFs, Transport Plans &amp; Economic Strategies.</li> </ul> </li> </ul>	
<p><b>Phase 3: Integrated Spatial Economic Development Plan</b></p> <p>The formulation of a ten-year Spatial Economic Development Plan for uMzinyathi District local municipality. Identify the current and future economic drivers for the region and their envisioned contribution to the economy in the short-term, medium-term and long-term should be clearly outlined.</p>	<ul style="list-style-type: none"> <li>• Integrated spatial plan and alignment to existing plans, mapping of corridors nodes, development zones land use patterns;</li> <li>• The plan should include a detailed environmental management plan and review and ensure adherence to national SEA (Strategic Environmental Assessment) guidelines;</li> <li>• Integrated infrastructure plan, including addressing transportation and bulk services; and</li> <li>• Identification of priority and catalytic projects with a detailed economic impact assessment on the area.</li> </ul>	<p>Comprehensive Integrated Spatial Economic Development Plan.</p>

<p><b>Phase 4: Business plan</b></p> <p>A bankable business plan for identified economic drivers should be prepared and recent market competitors, future investors and their roles/ market share should be detailed. The business plan must have a list of possible investors and their roles clearly defined.</p>	<ul style="list-style-type: none"> <li>• Develop a feasible business plan inclusive of all identified economic drivers;</li> <li>• Packaging of projects for eminent investor attraction and retention;</li> <li>• Develop a detailed and implementable destination marketing and promotion strategy for uMzinyathi District Municipality; and</li> </ul> <p>Identify potential anchor investor and identify sources of funding.</p>	<p>Comprehensive Business Plan.</p>
<p><b>Phase 5: Implementation plan</b></p> <p>Develop a comprehensive implementation plan linked to projects, budgets and time frames for the plan.</p>	<ul style="list-style-type: none"> <li>• Identify key and strategic agents and role players and assign roles and responsibilities for ease of implementation; and</li> <li>• Develop a comprehensive implementation plan linked to projects, budgets and time frames for the plan.</li> </ul> <p>Mapping of the identified economic activities/projects.</p>	<p>Comprehensive implementation plan.</p>
<p><b>Phase 6: M&amp;E Framework</b></p> <p>Provision of a Monitoring and Evaluation framework for the development plan implementation.</p>	<p>Provide a detailed M&amp;E framework that can assist with tracking the impact of identified strategic interventions</p>	<p>M&amp;E Framework.</p>
<p><b>Phase 7: Closure</b></p> <p>Risk assessment report; Recommendations; Summary of strategic issues; and Handover report.</p>	<ul style="list-style-type: none"> <li>• Provide a status quo report for all project phases including inter alia: <ul style="list-style-type: none"> <li>◦ Integrated Spatial Economic Development Plan;</li> </ul> </li> </ul>	<p>Close out report.</p>

	<ul style="list-style-type: none"> <li>○ Business plan;</li> <li>○ Implementation plan;</li> </ul> <p>Monitoring and evaluation framework</p>	
--	---	--

## 5. REQUIREMENTS

### ○ **SKILLS AND COMPETENCIES**

For the purpose of this project, a service provider should have the following competencies;

- Strong background and understanding of development economics, spatial planning field, policy/strategy formulation, preferably in both private and public sector environment;
- Extensive knowledge of integrated local/ regional economic development plans;
- Rural economic development;
- Sufficient knowledge, understanding and practical application of public policy and strategy analysis, development, and review;
- Monitoring and Evaluation of government programs and policies;
- Knowledge and understanding of roles of various role players in the national, provincial and local government;
- Stakeholders engagement;
- Project management skills; and
- Report writing and presentation skills
- GIS Mapping.

### **5.2 KEY EXPERTS/ HUMAN RESOURCES**

All human resource who have a crucial role in implementing the contract are referred to as **Key Experts**.

The appointment of the Service Provider will be based on the experience of the Team Leader's curriculum vitae which will contribute to the successful execution of the project. It is therefore imperative for Service Provider to ensure that the Project Team comprises of individuals that will contribute to the successful execution of the project. All team members should have a proven track record of involvement in similar projects. The proposal should provide a detailed description of the Team

composition and CVs of all Project Team members should be submitted, together with the Profile detailing previous work history and experience.

The profiles of the key experts for this contract are as follows;

#### **5.2.1 Project Manager/Team Leader**

At least a Honours degree in Economic or other relevant disciplines Development economics, Social, Community Development or Financial. A Bachelor's degree in the relevant disciplines will be an added advantage. At least 7 years of extensive experience in formulating implementable local and regional Spatial Economic development strategies, with proven program track records of completed projects.

#### **5.2.2 Town and Regional Planner**

The Specialist must be a holder of a degree in Town and Regional Planning or equivalent. A relevant post graduate higher than the degree will be an added advantage. Registered Professional Town Planner with the South African Council for Planners (SACPLAN) or other international body recognized by the government.

#### **5.2.3.Environmental Specialist(practitioner)**

The specialist must be a seasoned Environmental scientist with at least 5 years' experience in environmental scoping or carrying out assessments. He/she must be in possession of a BSc in Environmental Science / BSc (Honours) in Environmental Management. A relevant post graduate degree will be an added advantage. The Specialist must be registered with South African Council for Natural Scientific Professions (SACNASP) as Professional Natural Scientist and International Association for Impact Assessment SA (IAIASA) as a Member. Experience in undertaking environmental scoping and appraisal is indispensable.

#### **5.2.4.Researcher**

A researcher must be in a position of a University degree and extensive experience in spatial planning, Business studies Public Policy/ Development Economics/ Governance/ Policy Analysis/ Development studies. Must have more than two years

working experience in either policy, research development, strategic development, economics, social science and a good understanding of government policy development processes.

The proposed human resource for the project must remain available for the duration of the project and where a human resource has to be replaced, must be replaced by someone with similar expertise and the person should be approved by the project steering committee based on experience and knowledge. Furthermore, the service provider based on the methodology suggested may recommend additional key experts. In this regard the service provider should justify and motivate the inclusion of any additional experts with their curriculum vitae

#### **5.2.5 Infrastructure Specialist/Civil Engineer**

A suitably qualified Civil Engineer who holds a University Degree in Civil Engineering and have extensive experience in development infrastructure related project. The proposed human resource will be responsible for analysis of infrastructure required and formulation of development proposals.

#### **5.2.6 Anticipated time frames**

The appointed service provider is expected to complete the project within a period of six months and the detail of each activity time-frame must be clearly outlined on the project plan.

### **6 COSTING**

The service provider must cost the project per phase and detailed activities cost must also be included, inclusive of human resource cost. Financial cost must be submitted separately from the technical proposal. The project cost must be VAT inclusive. The technical proposal that contains financial cost will not be considered.

The project must be costed as follows;

**Table 2: Project Cost**

<b>Phases</b>	<b>Deliverables</b>	<b>Time-frame</b>	<b>Cost</b>
Phase 1	Inception report	Two weeks	
Phase 2	Situation analysis	Three weeks	
Phase 3	Integrated Spatial Economic Development Plan	Two months	
Phase 4	Business plan	one month	
Phase 5	Implementation plan	Three weeks	
Phase 6	Monitoring and evaluation Framework	Two weeks	
Phase 7	Closure	Two weeks	
<b>Total</b>		6 months	

## **7. EVALUATION CRITERIA**

THE BID EVALUATION WILL BE CARRIED IN THE FOLLOWING STAGES;

- STAGE 1: PRE-COMPLIANCE
- Stage 2: Functionality

### **7.1 STAGE 1: PRE-COMPLIANCE**

During this phase the bid will be assessed to determine compliance with SCM processes, tax matters, CIPC registration, B-BBEE certificate, registration with the Central Database (CSD) registration and company audited financial statements/ a letter from a CA for emerging companies. Copies of the above listed requirements must accompany the technical proposal, failure to do so will result in disqualification.

### **7.2. STAGE 2: FUNCTIONALITY**

The bidder must score 70% during other phases and the assessment will be on the functionality/technicality of the proposal to qualify for the next stage.



The stage will be carried as follows;

**0=Non-compliance, 1=Poor, 2=Fair, 3=Average, 4=Good; 5=Excellent**

**Table 3: Functional/ technical assessment.**

Guidelines for category criteria	Functionality	Weight	
<b>Proposed project plan and methodology.</b>	<b>Bidders should detail project plan with time frames and proposed methodology to formulate the Integrated Spatial Economic Development Strategy.</b>		
	<b>Project plan</b>	<b>Indicators</b>	<b>%</b>
	Project management approach, project plan, methodology, with detailed objectives and milestones	<b>40</b>	<b>40</b>
	Project management approach, basic project plan, objectives and milestones	<b>20</b>	
	Project plan provided with deliverables and timeframes	<b>10</b>	
	Task not well understood	<b>0</b>	
<b>Qualifications of the Team Leader.</b>	<b>Relevant educational qualification in the area of economics, development economics, community development or other relevant fields</b>		
	<b>Educational qualifications</b>	<b>Indicators</b>	<b>15</b>
	A Honours/masters degree	15	
	A Bachelor degree	10	
	A Diploma	05	
	A certificate and less	01	
<b>Technical capability/expertise and track record of the Team Leader</b>	<b>Bidders must demonstrate the experience of the Team Leader in doing the similar work in the past</b>		<b>15</b>
	<b>Experience of the team leader in (in years)</b>	<b>Indicators</b>	
	Work experience of 7 years and above	15	
	Work experience of 5 to 6 years	12	

	Work Experience of 4 to 3 years	10	
	Work Experience of 1 year to 0 year	05	
	Zero experience (emerging)	0	
<b>Company's experience, track record and knowledge in completing similar work/ policy documents and strategies</b>	Bidders are required to demonstrate relevant past experience where similar work has been done. The service provider should provide letters of reference or and completion certificate.		
	<b>Proof of similar work completed</b>	<b>Indicators</b>	30
	05 letters and above of completed projects	30	
	04 letters on completed projects	20	
	03 letters on completed projects	15	
	02 letters on completed projects	10	
	Six months and less years on completed projects/ emerging firms	1	
<b>Total points of functionality</b>			<b>100</b>

## 9 CONDITION OF THE APPOINTMENT

The designated project manager will monitor the work of the service provider, in terms of submission, time-frame and quality of work and the submission of project deliverables will be done through the project manager

- Service provider will be required to submit monthly reports for the project.
- The project manager will do on-going Service Level Agreement (SLA) management
- The proposed team leader must be available throughout the duration of the project and under any unforeseen circumstances that can lead to his/her replacement, must be replaced by someone with relevant experience and educational level

## **10 PAYMENTS TERMS**

All valid claims per agreed deliverables will be paid within 30 days; payments will only be done for approved deliverables. Deliverables will be approved by the Project Steering Committee (PSC). No payment will be made for outstanding work.

## **11 TECHNICAL ENQUIRIES**

Should you require any further information regarding this bid, enquiries should only be made via email, the bid number and the title should be on the email subject.

Kindly enquire with;

Name:

Email:

Enquiries are allowed from.....date to .....date

## **3. EVALUATION OF TENDER**

### **Compulsory Returnable Documentation**

Compulsory documents to be submitted:

- MBD 1: Invitation to Tender (must be completed and signed)
- Copy tax clearance certificate accompanied by a pin for further verification in the name of the tenderer
- MBD 3.1: Pricing Schedule
- MBD 4: Declaration of Interest
- MBD 6.1: Preferential Points system
- MBD 8: Declaration of past Supply Chain Management Practice
- MBD 9: Certificate of Independent Bid
- Certified Proof of company registration
- Certified copies of owners identity document (Not older than three months)
- Letter of Good Standing with other Organ of State,
- Statement of Municipal rates not older than 3 months.

**VERY IMPORTANT:**

**IF ANY OF THE ABOVEMENTIONED DOCUMENTS ARE NOT SUBMITTED OR COMPLETED IN THEIR ENTIRETY, THE BIDDER WILL BE DEEMED TO BE NON-RESPONSIVE.**

Bidders are encouraged to submit BBBEE certificate to claim their preference points.

**PREFERENCE POINT SYSTEM 80/20**

No.	DESCRIPTION	POINTS
1	Price	80
2	BBBEE Status level of contribution	20
	<b>TOTAL</b>	<b>100</b>

Bidders are encouraged to submit BBBEE certificates to claim preference points.



Address: 44 Victoria Street,  
Dundee, 3000

Tel: 087 527 0837

Email: [info@umziagency.co.za](mailto:info@umziagency.co.za)

**MBD1 PART A****INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE UMZINYATHI DISTRICT MUNICIPALITY					
BID NUMBER:	BID NO: T-UDA-2023-01	CLOSING DATE:	05 September 2022	CLOSING TIME:	13:00
DESCRIPTION	DEVELOPMENT OF THE UMZINYATHI INTERGRATED SPATIAL ECONOMIC DEVELOPMENT PLAN				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID  
BOX SITUATED AT (STREET ADDRESS)

39 VICTORIA STREET  
DUNDEE  
3000

**SUPPLIER INFORMATION**

NAME OF BIDDER	
POSTAL ADDRESS	

STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]	
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE	R	
SIGNATURE OF BIDDER	.....		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	SCM UNIT		CONTACT PERSON	SPHEPHELO MKHIZE	
CONTACT PERSON	SCM UNIT		TELEPHONE NUMBER	087 527 0837	
TELEPHONE NUMBER	087 527 0837		FACSIMILE NUMBER		
FACSIMILE NUMBER	N/A		E-MAIL ADDRESS	businessdev@umziagency.co.za	
E-MAIL ADDRESS					

## PART B

### TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b> 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION. 1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE</b> 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
<b>2. TAX COMPLIANCE REQUIREMENTS</b> 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS. 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS. 2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA. 2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3. 2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID. 2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

**3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

- 3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO
- 3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO
- 3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO
- 3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO
- 3.5. 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 ABOVE.**

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.  
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

DATE: .....

**B MBD 2**

**TAX CLEARANCE CERTIFICATE REQUIREMENTS**

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.

2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.


3 The original Tax Clearance Certificate/SARS compliance pin must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.

4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.

5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).

6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).

**MBD 3.1****PRICING SCHEDULE – FIRM PRICES**

DESCRIPTION	QUANTITY	AMOUNT
		
	<b>SUB-TOTAL</b>	
	<b>VAT (15%)</b>	
	<b>TOTAL</b>	

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

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

**CONDITIONS OF TENDER**

- Price(s) quoted must be valid for at one hundred and twenty (120) days from date of offer for evaluation purposes.
- Price(s) quoted must be firm and include VAT
- Tenderers original valid tax clearance certificate must be attached.
- Tender original or certified B-BBEE Certificate must be attached to the document
- Tender documents signed by a person who does not have authority to sign will be disqualified.
- Tenderers who did not complete the compulsory questionnaire, who abuse the employer's supply chain management system will not be conceded
- Non-collusion affidavit to be executed by bidder and submitted with the bid.

## DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their positioning relation to the evaluating/adjudicating authority.

**3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number: .....

3.3 Position occupied in the Company (director, trustee, hareholder<sup>2</sup>):.....

3.4 Company Registration Number: .....

3.5 Tax Reference Number:.....

3.6 VAT Registration Number: .....

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

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

3.8.1 If yes, furnish particulars.....

.....

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –

(a) a member of –

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

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

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

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

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

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

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

3.9 Have you been in the service of the state for the past twelve months?  
**YES / NO**

.....

3.9.1 If yes, furnish particulars.....

.....



3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?..... **YES / NO**

3.10.1 If yes, furnish particulars.

.....  
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.11.1 If yes, furnish particulars

.....  
.....

3.12 Are any of the company's directors, trustees, managers, Principle shareholders or stakeholders in service of the state? **YES/NO**

3.12.1 If yes, furnish particulars.

.....  
.....

3.13 Are any spouse, child or parent of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.

.....  
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:

.....  
.....

<b>Full Name</b>	<b>Identity Number</b>	<b>Are you employed by National/ Provincial/ Local Government? YES/NO</b>	<b>If YES, please give details</b>

5. I duly confirm that the above information is correct until otherwise advised in writing AND the company undertakes to immediately, in writing on same day of appointment, advise the Municipality immediately if any of its directors/trustees/ members/shareholders assumes appointment as an employee in national, provincial and/or local government AND the company will deregister from the Municipality Supplier Database and cease forthwith from doing business with the Municipality AND the company shall be subject to a penalty of forfeiting all payments for services rendered or products delivered or installed if it fails to immediately disclose in writing the employment of any of its directors/trustees/ members/shareholders in national, provincial and/or local government.

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

.....  
**Name of Bidder**

## MBD6.1

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

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

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

#### 1. GENERAL CONDITIONS

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

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

1.2

a) The value of this bid is estimated to **exceed/not exceed** R50 000 000 (all applicable taxes included) and therefore the **.....** preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

#### 2. DEFINITIONS

(a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

- $Xf$

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

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

## 5. BID DECLARATION

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

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

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

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

## 7. SUB-CONTRACTING

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

(*Tick applicable box*)

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

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted.....%

ii) The name of the sub-contractor.....

iii) The B-BBEE status level of the sub-contractor.....

iv) Whether the sub-contractor is an EME or QSE

(*Tick applicable box*)

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

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
--	----------	----------

Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name \_\_\_\_\_ of  
company/firm:.....

8.2 VAT \_\_\_\_\_ registration  
number:.....

8.3 Company \_\_\_\_\_ registration  
number:.....

**8.4 TYPE OF COMPANY/ FIRM**

- ☐ Partnership/Joint Venture / Consortium  
☐ One person business/sole propriety  
☐ Close corporation  
☐ Company  
☐ (Pty) Limited  
[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....  
.....  
.....COMPANY CLASSIFICATION

- ☐ Manufacturer  
☐ Supplier  
☐ Professional service provider  
☐ Other service providers, e.g. transporter, etc.  
[TICK APPLICABLE BOX]

**8.6 MUNICIPAL INFORMATION**

**Municipality** \_\_\_\_\_ **where** \_\_\_\_\_ **business** \_\_\_\_\_ **is** \_\_\_\_\_ **situated:**  
.....

**Registered account number:** .....

**Stand Number:** .....

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

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

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

WITNESSES

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....

## MBD: 7.1

### CONTRACT FORM - PURCHASE OF GOODS/WORKS

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

#### PART 1 (TO BE FILLED IN BY THE BIDDER)

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

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

#### WITNESSES

1 .....

2. ....

DATE: .....



**CONTRACT FORM - PURCHASE OF GOODS/WORKS****PART 2 (TO BE FILLED IN BY THE PURCHASER)**

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

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTIO N AND CONTENT (if applicable)

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

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP



WITNESSES

1. ....

2. ....

DATE .....

MBD 8

**DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct
  - b.
  - c. in relation to such system;
  - d. been convicted for fraud or corruption during the past five years;
  - e. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - f. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?  <b>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</b>  The Database of Restricted Suppliers now resides on the National Treasury's website( <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> ) and can be accessed by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

### CERTIFICATION

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

### CERTIFICATE OF INDEPENDENT BID DETERMINATION

**MBD 9**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal

relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
- a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

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

**MBD 9**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, \_\_\_\_\_ the undersigned, in \_\_\_\_\_ submitting the \_\_\_\_\_ accompanying bid:

\_\_\_\_\_  
(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_  
(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89

of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
.....

Signature

Date

.....  
.....

Position

Name of Bidder