

PORT ST JOHN'S MUNICIPALITY



BID NO: PSJLM-BTO-2021/22 – 29

BID DOCUMENT: APPOINTMENT OF A SERVICE PROVIDER FOR COMPILATION OF ANNUAL FINANCIAL STATEMENTS AND FIXED ASSET REGISTER FOR A PERIOD OF 3 YEARS.

CLOSING DATE: 22 JUNE 2022

**ISSUED BY
PORT ST JOHN'S LOCAL MUNICIPALITY
257 MAIN STREET
PORT ST JOHNS
5120
TEL : (047) 564 1207/8
CONTACT PERSON: MRS N. BALENI-GXUMISA
SUPPLY CHAIN MANAGER**

NAME OF BIDDER:

Email Address: _____

Contact Number: _____

SARS PIN: _____



For ease of reference, Bidders shall enter their Price in the space provided below:

Bid Sum (amount in words) _____

_____ **Inclusive of VAT**

Bid Sum (amount in figures) **R** _____ **Inclusive of VAT**

NAME OF BIDDER: _____

SIGNED ON BEHALF OF THE BIDDER: _____

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- 1) INVITATION TO BID**
- 2) BID CONDITIONS**
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CHAPTER 1: INVITATION TO BID

**PART A
INVITATION TO BID**

MBD 1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE PORT ST JOHNS LOCAL MUNICIPALITY

BID NUMBER:	PSJLM – BTO - 2021/22 - 29	CLOSING DATE:	22 – 06 - 2022	CLOSING TIME:	11h00
DESCRIPTION	Appointment of a service provider for Compilation of Annual Financial Statements and Fixed Assets register for a period of 3 years				
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)

RECEPTION ARES (MUNICIPAL TOWN HALL)

PORT ST JOHNS MUNICIPALITY

ERF 257, MAIN STREET

PORT ST JOHNS

5120

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	BUDGET AND TREASURY OFFICE	CONTACT PERSON	Mrs N. Nange
CONTACT PERSON	MRS N. BALENI - GXUMISA	TELEPHONE NUMBER	047 564 1208
TELEPHONE NUMBER	047 564 1208	FACSIMILE NUMBER	047 564 1206
FACSIMILE NUMBER	047 564 1206	E-MAIL ADDRESS	
E-MAIL ADDRESS	nbaleni@psimunicipality.gov.za	nnange@psimunicipality.gov.za	



PART B

TERMS AND CONDITIONS FOR BIDDING

MBD1

1. BID SUBMISSION:	
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.	
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE	
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.	
2. TAX COMPLIANCE REQUIREMENTS	
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.	
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)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 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: _____

1.2 BID NOTICE**ADVERTISEMENT**

Bid Number	Project Name	Technical Enquiries for the Project	Bid Closing date and Time
PSJLM-BTO -2021/22 – 29	Appointment of a service provider for compilation of Annual Financial Statements and Fixed Assets register for a period of 3 years.	Mrs Nange – 047 564 1206 or 082 611 5185 Email add: nnange@psjmunicipality.gov.za	22 – 06 – 2022 Time: 11:00am

Bid Documents containing details and requirements of these projects will be available from **24 May 2022** at Port St. Johns Municipal **Finance offices**, upon payment of a **non-refundable fee of R405.00** per document (either in cash or by means of EFT made payable to Port St Johns Municipality). Municipal banking details are obtainable at Revenue Office. **Tender Documents will also be uploaded on eTenders website www.etenders.gov.za** can be downloaded on website for free.

Completed proposal and supporting documentation must be placed in a **sealed envelope** clearly marked on the outside of the envelope with bid details of project it is meant for, **e.g: PSJLM-BTO-2020/21- 29, Appointment of a service provider for compilation of Annual Financial Statements and Fixed Assets register for a period of 3 years (Failure to adhere to the requirement will invalidate your offer)**

The envelope must be dropped in the marked bid box placed at the **Reception Area - Port St. Johns Municipal offices, Erf 257 Main Street, not later than 11:00 AM on the date as mentioned above.** All the received bids will be opened in public at the same time and date.

All SCM related enquiries shall be directed to Mrs N. Baleni - Gxumisa within normal office hours at **(047) 564 1207/8** or nbaleni83@gmail.com,

Bidders will be evaluated on Tender data, Functionality assessment and Financial Offers.

Price & Preferential Policy as per Port St Johns Supply Chain Management Policy.

Price : 80 Points

B-BBEE Status Level of Contribution* : 20 Points (Ref: Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations)

TOTAL : 100 Points

BIDDERS MUST SUBMIT THE FOLLOWING:

- Service Providers must be registered on CSD and submit a detailed CSD report.

- Attach valid Current Rates clearance statement of Company or Its Directors which is not older than 90 days in arrears obtained from your respective Municipality and must be certified or attach a valid signed lease agreement by both Lessor and Lessee. If exempted, please attach letter of exemption from your respective Municipality's revenue office as proof that the bidder or its directors as per the Municipality's valuation roll does not own any property that is not older than 90 days, letter must be signed by BTO department representative and have original stamp from BTO department.
- Compliance Tax Pin for verification on SARS
- A certified copy of B-BBEE certificate and for joint ventures B-BBEE must be combined and certified, B-BBEE certificate must be SANAS approved or a signed Sworn Affidavit with original stamp from Commission of Oath not later than 90 days from the date of certification.
- For JV Bidders must attach a combined valid SANAS approved B-BBEE certificate.
- Current three year's Full financial statements prepared by Accredited Accountants and must be signed by Accountant and Service Provider
- All other information is contained on the Tender Document, any other information to support the project must be provided.
- In the case of a Joint Venture, a detailed Joint Venture Agreement must be signed by both parties' directors or as per company resolution and submitted indicating the level of involvement and responsibilities of each Joint Venture partner must be submitted. Individual partners are to comply and submit all relevant documents.
- Failure to comply /complete the tender document and all the supplementary information will result in bidder being deemed non-responsive.
- Late, telegraphic, facsimile, incomplete or unsigned Bids will not be considered.
- Bidders will be assessed on Functionality and Price in accordance with the Municipality Supply Chain Management Policy and in terms of Preferential Policy Framework Act, 2000 (Act No.5 of 2000) as explained above.
- Proposals are to hold good for a period of 90 days (validity of bid) from the date of bids closing.
- If communication is not received from Port St Johns Municipality within 90 days of the bid consider your Bid as non-responsive.

Port St. Johns Local Municipality does not bind itself to accept the lowest or any bid and reserves the right to accept the whole or any part of the bid or cancel the Bid.

ISSUED BY

**MR H.T HLAZO
MUNICIPAL MANAGER**

CHAPTER 2: BID CONDITIONS

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- 14. ACCEPTANCE OF BID**
- 15. PENALTIES**
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- 17. CONTRACT PERIOD**



1. GENERAL CONDITIONS OF CONTRACT

The General Conditions of Contract for Supply Chain Management shall apply to this contract. These general conditions shall be read in conjunction with the amendments and additions set out in the special conditions of contract.

2. BID FORM

All bids shall be made on the bid forms incorporated in this document.

3. COMPLETION OF BIDS

THE BIDDER SHALL COMPLETE ALL FORMS IN BLACK INK.

Mistakes made by the Bidder in the completion of the forms shall not be erased. A line shall be drawn through the incorrect entry and the correct entry shall be written above and the correction initialed by the Bidder. Failure to observe this rule may lead to the bid being disqualified.

Bids shall be ineligible for consideration unless submitted on the forms bound in this document.

A bid shall not be considered if alterations have been made to the bid form, unless such alterations have been duly authenticated by the Bidder, or of any particulars required therein have not been completed in all respects.

No unauthorized amendment shall be made to the bid form or to any other part of the bid document. If any such amendments are made, the bid may be rejected.

Bids submitted in accordance with this bid document shall not have any qualifications. Any point of difficulty of interpretation shall be cleared with Port St Johns Local Municipality as early as possible during the bid period. Should any query be found to be of significance, Port St Johns Local Municipality will inform all Bidders accordingly as early as possible.

4. SUBMISSION OF BIDS

Each Bidder is required to return the complete set of bid documents with all the required information and complete in all respects.

Bidders shall not tamper with the bid documents which shall be submitted as issued. Any bid documents found to have been unbound and rebound could be deemed to be unacceptable.

Bids, in sealed envelopes clearly marked **“Bid No: PSJLM - BTO - 2021/22 - 29** and the Bidder’s name and address, shall be delivered Port St Johns Local Municipality, ERF 257 Main Road Port St Johns, not later than **11:00 on 22 JUNE 2022**. Bids may not be faxed or e-mailed. Bids shall be opened in public shortly thereafter. Late bids shall be rejected.

5. DATA TO BE FURNISHED AT BID STAGE

Bidders shall submit with their bids the information that is applicable and as may be required in terms of the specifications. The Employer reserves the right, in the event of such details being insufficient, to call for further information. The Bidder shall furnish such additional information within seven (7) days of being called upon to do so.

6. WITHDRAWAL OF BIDS

A Bidder may, without incurring any liability, withdraw his bid. This will be a written advice and received before the date and time of closure of this bid. The notice must be received by Port St Johns Local Municipality before the closure of this bid.



7. COSTS WHICH DEFAULTING BIDDERS MAY BE CALLED UPON TO PAY

Should the Service Provider, after he has been notified of the acceptance of his bid, fail to enter into a contract when called upon to do so, within the period stipulated in the conditions of bid or within such extended period as the Employer may allow, the Service Provider holds himself liable for any additional expense which may incur in having to call for bids afresh and/or in having to accept any less favorable bid and that if he purports to withdraw his bid within the period for which he has agreed that it shall remain open for acceptance.

The Service Provider shall indemnify the specified from any claim capable of being made against him either under the statute of common law in respect of any damage to any person or property arising out of the execution of this contract.

8. ACCEPTANCE OR REJECTION OF BIDS

Bids may be rejected if they show any additional items not originally included in the bid document. Conditional or incomplete offers, irregularities of any kind in the bid forms, or if the bid rates and amounts are obviously unbalanced and the Bidder, after having been called upon to adjust same in a reasonable manner, fails to do so within a period of seven(7) days having received notification to that effect.

The Employer does not bind itself to accept the lowest or any bid and reserves the right to accept the whole or any part of a bid as it may deem expedient, nor will it assign any reason for the acceptance or rejection of any bid, be it the whole or part of a bid.

9. SITE INSPECTION/BIDDERS MEETING

There will be no site inspection for this project.

10. FAILURE TO RETURN BID DOCUMENTS

A Bidder who does not submit the returnable documents after the closing date will not be allowed

11. TAXES AND LEVIES

Bidders shall include Value Added tax (VAT) in their bid rates.

12. EVALUATION OF BIDS (BASED ON PREFERENTIAL PROCUREMENT REGULATIONS 2017)

Bids will be evaluated based on the 80/20 preference point system in terms of the Preferential Procurement Regulations 2017 and Regulations as per Port St Johns Supply Chain Management Policy. These points will be allocated as follows:

Price

80 points will be awarded to the bidder submitting to the lowest bid.

Preference

20 points will be awarded to the bidder submitting B-BBEE Certificate.

Returnable Documents

In order for your Bid to be considered the following documents are required:

- Attach signed valid Lease Agreement by Lessor and Lessee or Valid Rate Clearance of a Company or It's Directors from the Municipality a least it must be valid for 90 days
- Failure to register on CSD will lead to disqualification
- Port St Johns Municipality does not conduct business with individuals or member of the company in serving in the service of state Reg.44
- Attach SARS Pin Code
- Failure to submit comprehensive signed JV agreement by both parties (where applicable) will result in a tender deemed non-responsive.
- Attach Certified BBBEE Certificate that is SANAS Approved or DTI Sworn Affidavit with original stamp of commission and original signature of a deponent.
- Failure to attach required information will lead to disqualification

NB Non submission of the above documents will lead to disqualification.

13. BID VALIDITY PERIOD

Bids must remain valid for a period of NINETY (90) days from the closing date of the bid.

14. ACCEPTANCE OF BID

The Municipality does not bind itself to accept the lowest or any bid received and reserves the right to accept the whole or part of the bid.

15. PENALTIES

In the event that the Contractor fails to produce registers as specified in Chapter 4 "Project Specifications, the Employer may withhold 5% of the invoice amount. Where applicable

16. CONTRACT ADJUSTMENT

No contract adjustment will be allowed during this period and the rates are fixed.

17. CONTRACT PERIOD

The contract is for a period of Three Years

CHAPTER 3: GENERAL CONDITIONS OF CONTRACT

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General Conditions of Contract**1. Definition**

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 product 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 of stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 “Dumping’ occurs when a private enterprise abroad markets 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 revolution, 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 sub-contractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

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

- 1.18 “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 Special Conditions of Contract.

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

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

2. Application

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

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

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 non-refundable fee for documents may be charged.

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

4. Standards

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

5. Use of contract document and information, inspection 5.1 The supplier shall not, without the purchaser’s prior written, 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 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 purchase against all third-party Claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance security**
- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty(30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.
- 8. Inspection, tests and analyses**
- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents, and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal, the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the rights of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of clause 23 of GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

- 10.2 Documents to be submitted by the supplier are specified in SCC.
- 11. Insurance**
- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.
- 12. Transportation**
- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.
- 13. Incidental services**
- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
 - (e) training of the purchaser’s personnel, at the supplier’s plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.
- 14. Spare Parts**
- 14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts, manufactured or distributed by the supplier:
- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relive the supplier of any warranty obligations under the contract; and
 - (b) in the event of termination of production of 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 actor 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 in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payment shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract Amendments

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

19. Assignment

- 19.1 The supplier shall not assign, in whole or in part, it's obligation to

perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

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

21. Delays in the Supplier's Performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the suppliers notice, the purchaser shall evaluate the situation and may this discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be requires to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

- 22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods, or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under

the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

**23. Termination
for default**

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

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

**24. Anti-dumping
and countervailing**

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 favorable difference shall on demand be paid forthwith by the Contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

**25. Force
Majeure**

25.1 Notwithstanding the provisions of GCC Clause 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 maybe commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.
- 28. Limitation of liability**
- 28.1 Except in cases of criminal negligence or 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 in SCC.

31. Notices

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

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

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

PROJECT SPECIFICATION

Specification of the Bid

Proposals are requested from service providers who have the Experience on Preparation of Annual Financial Statements, Fixed Asset and audit support

PREPARATION OF ANNUAL FINANCIAL STATEMENTS AND CONDUCT ASSET VERIFICATION, FIXED ASSETS REGISTER AND SUPPORT FOR FINANCIAL YEARS 2021/22, 2022/23 and 2023/24

INTRODUCTION OF THE PROJECT

In line with MFMA section 122(3) the municipality must prepare Annual Financial Statement in accordance with Generally Recognized Accounting Practice (GRAP) .

GRAP 17 prescribes the accounting treatment of fixed assets and requires that a municipality must prepare a GRAP compliant fixed assets register for each reporting period. In order to comply with these requirements municipality is required to update its infrastructure fixed asset register annually with additions. Further to annual update, the Accounting Standards Board (the Board) which, determines generally recognized accounting practices referred to as (GRAP) USED by Municipality has amended GRAP 17. Previously the municipality did not componentize assets that were still under construction, the amendment to GRAP 17 requires that those assets be disclosed per class.

The municipality seeks proposals for the preparation of annual financial statements, Fixed Asset Register and Continuous BTO Support for from **2021/22, 2022/23 and 2023/24** from suitably qualified service providers.

AIMS OF THE PROJECT

The purpose of the project is to ensure that the Municipality complies with section 126 (1) (a) of the Municipal Finance Management Act and GRAP standards, infrastructure fixed assets register is updated, that the amendments on GRAP 17 is implemented and all audit queries that were raised by the Auditor General relating to infrastructure assets in the 2020/21 financial year were addressed.

- Service provider will have to submit Assessment Report and thereafter propose Action Plan with clear time frames
- To Review and restate
- To compile the three year annual financial statements that are compliant with GRAP standards, conform to National treasury requirements and that have a clear audit trail for Financial Year 2018/19, 2019/20 and 2020/21
- Consolidate the AFS of the municipality with those of the PSJ Development Agency
- Compile the AFS using case ware
- Including Actuarial valuation for Long term service awards and post –retirement benefits

- To perform a review of the prior year audit report and management letter and resolve audit findings
- To perform prior year adjusting journal entries accepted by Auditor General SA,
- To provide clear supporting documentation that will be acceptable to Auditor General SA
- ensure that the balances in the general ledger and on the annual financial statements are fairly presented in all material respect (i.e. contain no material misstatements)
- To respond to audit queries arising from financial statements
- In addition to the foregoing requirements, the municipality requires accounting files (Master file and a copy) to support the figures reported on the financial statements for audit purposes.
- The service provider will be required to transfer skill to municipal staff on all Account balances
- To provide a clear training plan (Skills Transfer)
- Project team must have a Chartered Accountant with experience in local government
- Final draft of AFS must be submitted to the municipality by the 15th of August to allow for quality review.
- Identify, record and disclose irregular, Fruitless and wasteful expenditure
- Preparing Commitment Register and Contract Registers Reviewing them making sure they are in line with AG standards
- Assist with Supply Chain queries during audit execution
- Developing of Internal Controls
- Assisting with rectifying of irregular expenditure of prior years and current year
- Prepare Reconciliations on all balances & prepare necessary registers
- Review of GL and ensure accurate recording
- To Ensure TB, GL, & AFS are in agreement
- Ensure
- Addressing Prior year errors
- Submitting AFS Quarterly for Reviewing

SPECIFICATION OF INFRASTRUCTURE ASSET REGISTER FOR A PERIOD OF 3 YEARS.

THE SCOPE OF WORK ENTAILS THE FOLLOWING ACTIVITIES AND DELIVERABLES: -

ASSETS UNDER CONTRUCTION /WORK IN PROGRESS (WIP)

- Update the WIP register and componentize each project to ensure compliance to the amended GRAP 17 and determine their completion status to date ;
- Physical verification of all assets on projects that are still under construction ;
- Where assets do not have historical costs , fair values are to be determined ;
- Reconcile Register to the ledger
- Assess Assets for impairment per GRAP Provisions.

- Updates and link the GIS database to the WIP register to ensure that assets recorded in the WIP register are easily traceable on the GIS;
- Submit shape files with spatial data for assets on the register and maps to assist locating assets
- Total values payments on the project be reconciled with payment vouchers.
- Compile the project files with all the project documentation.
- Review retentions for accuracy and completeness.
- Review files for each Project.

EXISTING INFRASTRUCTURE FIXED REGISTER (FAR)

- Verify all the infrastructure assets and accurately record their locations and conditions to ensure existence of these assets and completeness of the FAR;
- The verification process will include a number of assets that are situated in various area of the Port St Johns Municipality It will cover 21 Wards.
- Where assets do not have historical costs ,fair value are to be determined ;
- Review current useful life of each asset and ensure that changes are affected in the fixed asset register;
- Determine conditions and the vulnerability of assets to climate change as well as the capacity of an asset
- Updates and link the GIS database to the infrastructure Fixed Assets to ensure that assets recorded in the FAR are easily traceable on the GIS;
- Submit shape files with spatial data for assets on the register and maps to assist locating assets
- Derecognise fully depreciated assets
- Review and update the asset policy to ensure compliance with GRAP and relevant legislation.

IMPAIRMENT AND DEPRECIATION

- Assess all the assets for indicators of impairment and compute their recoverable amounts.
- Identify and record impairments and write –off s
- Review assets that have reached an RUL of 2 years and physically verify them, to assess their conditions.
- Keep record of the work performed in assessment (audit files)

ASSET MANAGEMENT PLAN AND MAINTENANCE PLAN

- Prepare a detailed Asset Management Plan and Maintenance plan that will serve as a strategic, tactical, and financial document, ensuring the management of the municipal assets follows sound asset management practices and principles, while optimizing available resources and establishing desired levels of service. These documents must take into consideration climate change adaptation and mitigation.

ASSIST WITH ALL AUDIT QUERIES RELATING TO THE INFRASTRUCURE ASSETS

- Assist on AG and submission of information ;
- Clear all prior year audit findings, especially AG report qualification on infrastructure assets.

- The draft Asset register must be submitted by 30 June 2019 and the final by assets register by 31 July 2019

PROGRESS AND MONITORING REPORTING

- The appointed services provider will be expected to prepare details projects plan, progress reports and attend progress meeting as and when required by the project manager. Be available to assist with the audit queries during the audit period.

SKILLS TRANSFER

- The successful bidder will be required to transfer skill and training Asset officials on Asset Management. The skills transfer and training plan should be compiled and progress reported thereon.

KEY DELIVERABLES

- A GRAP compliant infrastructure fixed assets register.
- All findings from the AG report cleared.
- WIP register

EXPECTED OUTCOMES

- A GRAP compliant infrastructure fixed assets register and unqualified audit opinion on fixed assets.
- Asset Management Plan and Asset maintenance plan
- Service Provider must provide their own system for infrastructure asset management

PROJECT COST AND PRICING SCHEDULES

Proposal must be fixed cost, municipality will not pay any cost outside the quoted price and cost remain valid for 90 days after the closing of the Bid submission the rate of change for this project must not be subjected to any foreign currency and the price must be firm.

All price must include VAT for service providers registered for VAT.

DELIVERY TIME FRAMES

Stick to the Legislated time frames for submission of AFS

PROJECT TEAM

As per the stated Evaluation Criteria

EVALAUTION CRITERIA

Functionality (Max =100 points)

Bidders need to SCORE 70 points in order to proceed to Price Evaluation



Weight	Points allocated	Maximum Points
<p><u>CAPACITY</u></p> <p>The key team roles to lead the Project must have the following Qualifications:</p> <ol style="list-style-type: none"> 1. Project Leader – must be qualified CA (Attach CA Qualifications) for AFS 10 Points 2. Project Leader – must be qualified CA (Attach CA Qualifications) for FAR 05 Points 3. Civil Engineer – must have Hon. Civil Engineering (Attach Qualifications) 10 Points 4. Electrical Engineer – must have Hon. Electrical Engineering (Attach Qualifications) 05 Points <p>NB: - Attach CVs with at least referenced experience of 8 years or more in the management or as a leader as stated. All the attached Qualifications must be Commissioned with original stamp not older than 90 days. Points will be allocated on Pro – Rata 2 – 4 years’ experience = 05 Points 5 - 8 years’ experience = 10 Points</p> <p>To attain points both CV and Certified copies (Not older than 90 days from the date of certification) of Qualifications must be attached.</p>		30
<p><u>COMPANY EXPERIENCE</u></p> <ol style="list-style-type: none"> 1. A track record of success in the establishment maintenance and updating of Asset register in Public Sector environment. Attach at least 5 Appointment Letters with reference letters as good standing or recommendation letter or assessment reports. These letters must be within 5 years in the public sector environment. (Copies of letters must be commissioned) <p>Points allocation: - Over 5 projects (3 for AFS and 2 for Assets) 3 – 5 projects (2 for AFS and 1 for Assets) 1 – 2 projects (1 for AFS and 1 for Assets)</p> <p>(If the appointment letter is for both AFS and Fixed Assets points will also be allocated)</p>	30 Points 20 Points 10 Points	60
<p><u>METHODOLOGY</u></p> <p>Preparation of AFS plan and Complying with Terms of Reference.</p> <p>Skill Transfer detailed plan Audit Support plan Audit resolution plan GRAP Workshop plan</p>	03 Points 03 Points 02 Points 02 Points	10
	Total Points	100

NB:- All false documentation will lead to automatic disqualification.

Bidders must take note of the following bid conditions:

1. Attach Compliant Pin to be verified on SARS website.
2. Failure to completely fill in the tender or MBD e.g. Form of Offer, declaration of interest and other MBD Forms will result in a tender deemed non-responsive.
3. Failure to submit and complete or supplementary information will result in the tender being null, void and non-responsive.
4. Failure to submit a certified copy of SANAS approved BBEE Certificate OR a signed sworn affidavit with original stamp from Commission of Oath and original signature of deponent, will result in a bidder losing points allocated for BBEE.
5. For JV Bidders must attach a combined valid SANAS approved B-BBEE certificate or a certified copy. (Failure to attach will lose points)
6. Current Rates clearance statement of a Company or its Directors which is not older than 90 days obtained from your respective Municipality or a signed valid lease agreement by both parties Lessor and Lessee. If exempted, please attach letter of exemption from your respective Municipality's revenue office as proof that the bidder as per the Municipality's valuation roll as proof that the bidder or Its Directors as per the Municipality's valuation roll does not own any property which is not older than 90 days.
7. The Port St Johns Local Municipality does not bind itself to accept the lowest or any bid and reserves the right to accept the whole or part of the bid or to withdraw the bid.
8. All alterations in prices/quotes must be signed for and failure to sign will result in tender deemed non-responsive.

Bidders must further note that:

1. Bidders not registered on Central Supplier Database will not be considered.
2. The Council reserves the right to disqualify any service provider whose members and or shareholders owe the municipal rates & taxes and levies.
3. Misrepresentation of address of the business with the aim of earning points may lead to disqualification
4. Non-disclosure by service providers who are in the employ of the state may lead to disqualification
5. Bids submitted will hold good for a period of **90** days and if your company has not heard within this period take that your company was unsuccessful unless communicated otherwise.



1. PERFORMANCE MANAGEMENT CRITERIA

- Duration of the Projects is Three years

2. VALIDITY PERIOD REQUIREMENT

- 90 days validity

3 . PROJECT MANAGEMENT

- The Service Provider will work very closely with the Budget and Treasury Office

4 . DELIVERY DATE

- Turnaround time to render service after the appointment has been issued is 21 days
(Failure to adhere to the time frames will constitute breach of contract and can lead to cancellation of the bid)

5. PREFERENTIAL EVALUATION FOR CRITERIA

PRICE	80
BBBEE Contribution Status level	20
Total points for PRICE and B-BBEE must not exceed	100

6. INSTRUCTIONS TO BIDDERS

In submitting their bid, bidders must respect all instructions, forms, Terms of reference, contract provisions and specifications contained in this bid dossier. Failure to submit a bid containing all the required information and documentation within the deadline specified will lead to the rejection of the bid.

7. Invalid or non-submission of the documents listed above will lead to the disqualification

All bidders must be registered on the Central Supplier Data Base and it is the bidders responsibility to ensure that the document does exist and verification of such registration will be done by the municipality and where the bidder is found to be not registered or have submitted incorrect registration details will be regarded as non-responsive and be disqualified from the bid.

8. SERVICES TO BE PROVIDED

The services required by the Contracting Authority` are described in these Terms of Reference.

9.PARTICIPATING

9.1 Participation in this bid is open to everyone.

9.2 Bids should be submitted by the same service provider, consortium or Joint Venture, which has submitted the proposal on the basis of the above. **No change whatsoever in the identity or composition of the bidder is permitted**; allowed to form alliances with any other firms or to sub-contract to each other for the purpose of this contract;

10. VARIANT SOLUTIONS

10.1 Any variant solutions will not be taken into consideration.

Bids will be valid for a period of 90 days, an extension of Bid Period can be requested by the Municipality to the Service for a further 60 days from the date of notification that the bid expires.

11. ADDITIONAL INFORMATION BEFORE THE DEADLINE FOR SUBMISSION OF BIDDERS

11.1 The bid dossier should be clear enough to avoid the Contracting Authority from having request additional information during the procedure. If the Contracting Authority, either on own initiative or in response to the request of a short-listed candidate, provides additional information on the bid dossier, such information will be sent in writing to all other bidders at the same time.

11.2 Bidders may submit questions in writing to the following address For Technical Enquires should be directed by email to nngane@psjmunicipality.gov.za which will be disseminated to all bidders in promoting transparency and Fairness Contact No 082 611 5185 between 08:00 – 16:30 week days.

SCM Enquires be directed to Mrs N Baleni – Gxumisa nbaleni@psjmunicipality.gov.za up to 7 days before the deadlines for submission of bids, specifying the **publication reference** and the **bid title**.

11.3 Any clarification of the bid dossier will be communicated simultaneously in writing to all bidders at the latest 7 calendar days before the deadline for submission of bids. No further clarifications will be given after this date.

11.4 Visit by individual prospective bidder during the bids period are not permitted other than the site visit for good reasons.

12. SUBMISSION OF BID

12.1 Bids must be submitted in English such that they are received before the deadline specified by in the letter of invitation to bid.

12.2 Any infringement of these rules (e.g. unsealed envelopes) is to be considered a breach of the rules, and will lead to rejection of the bid.

The envelope should carry the following information:

- a) The address for submission of bid indicated above;

13. ALTERATIONS OR WITHDRAWAL OF BIDS

13.1 Bidders may alter or withdraw bids by written notification prior to the deadline for submission of bids. No bid may be altered after this deadline.

14. COSTS FOR PREPARING BIDS

14.1 No costs incurred by the bidder in preparing and submitting the bid shall be reimbursable. All such costs shall be borne by the bidder.

15. OWNERSHIP OF BIDS

15.1 The Contracting Authority retains ownership in all bid received (this excludes intellectual property for all but the successful bidder) under this tendering procedure. Consequently, bidders have no right to have their bids returned to them.

16 CONFIDENTIALITY

16.1 The entire evaluation procedure, from the drawing up of the shortlist to the signature of the contract, is confidential. The Evaluation / Adjudication Committee's decisions are collective and its deliberations are held in closed session. The members of the Evaluation / Adjudication Committee are bound to secrecy.

16.2 The evaluation reports and written records, in particular, are for official use only and may not be communicated to neither the bidders nor to any party other than the Contracting Authority.

17. ETHICS CLAUSES

17.1 Any attempt by a bidder to obtain confidential information, enter into unlawful agreements with competitors or influence the Evaluation / Adjudication Committee or the Contracting Authority during the process of examining, clarifying, evaluating, comparing and adjudication bid will lead to the rejection of its bid and may result in administrative penalties.

17.2 The bidder must not be affected by any potential conflict of interest.

17.3 The Port St Johns Local Municipality reserves the right to suspend or cancel funding to this project if corrupt practices of any kind are discovered at any stage of the award process or during the implementation of a contract, if the Contracting Authority fails to take all appropriate measures to remedy the situation. For the purposes of this provision, "corrupt practices" are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or implementation of a contract already concluded with the Contracting Authority.

17.4 Bids will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions paid to a payee who is not clearly identified or commissions paid to a company which has every appearance of being a front company.

17.5 Failure to comply with one or more of the ethics clauses may result in the exclusion of the bidder or contractor from other Community contracts and in penalties.

18. DOCUMENTARY EVIDENCE REQUIRED FROM THE SUCCESSFUL BIDDER

18.1 The successful bidder will be informed in writing that its bid has been accepted (notification of award).

19. SIGNATURE OF CONTRACT (S)

19.1 Within 7 days of receipt of the contract already signed by the Contracting Authority, the selected bidder shall sign and date the contract and return it to the Contracting Authority.

19.2 Failure of the selected bidder to comply with this requirement may constitute grounds for the annulment of the decision to award the contract. In such a case, the Contracting Authority may award the bid to another bidder or cancel the bid procedure.

19.3 The other candidates will be informed that their bids were not accepted, by means of a standard letter.

20. CANCELLATION OF THE BIDS PROCEDURE

20.1 In the event of cancellation of the bid procedure, bidders will be notified of the cancellation by the Contracting Authority. If the bid procedure is cancelled before the envelopes of any bid has been opened, the unopened and sealed envelopes will be returned to the bidders unless there is no other means but to open the envelop to get the address.

21. CANCELATION MAY OCCUR WHEN:

21.1 The bid procedure has been unsuccessful, i.e., no qualitatively or financially worthwhile bid has been received or there is no response at all;

21.2 The economic or technical data of the project have been fundamentally altered.

21.3 In no event shall the Contracting Authority be liable for any damages whatsoever including, without limitation, damages for loss of profits, in any way connected with the cancellation of a bid even if the Contracting Authority has been advised of the possibility of damages.

MBD 2

**APPLICATION FOR TAX CLEARANCE CERTIFICATE
(IN RESPECT OF BIDDERS)**

TAX CLEARANCE REQUIREMENTS

IT IS A CONDITION OF BIDDING THAT:

The taxes of the successful bidder **must** be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his/her tax obligations.

The attached form “Application for Tax Clearance Certificate (in respect of bidders)” must be completed in all respects and submitted to the Receiver of Revenue where the bidder is registered for tax purposes. The Receiver of Revenue will then furnish the bidder with a Tax Clearance certificate that will be valid for a period of six(6) months from date of issue. This Tax Clearance Certificate must be submitted in the original together with the bid. Failure to submit the **original** and valid Tax Clearance Certificate may invalidate the bid.

In bids where consortia/Joint Ventures/Sub-Contractors are involved, each party must submit a separate Tax Clearance certificate. Copies of the Application for Tax Clearance Certificates are available at any receiver’s Office.



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 R 30 000.00 up to R 50 000 000.00 (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 The value of this bid is estimated NOT to exceed R50 000 000.00 (all applicable taxes included) and therefore the 80/20 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	POINTS
1.3.1.1 PRICE	80
1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION	20.
Total points for Price and B-BBEE must not exceed	<u>100</u>

1.4 **Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.**

1.5 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

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

- 2.2 “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 “**B-BBEE status level of contributor**” means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 “**bid**” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 “**Broad-Based Black Economic Empowerment Act**” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 “**comparative price**” means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 “**consortium or joint venture**” means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 2.8 “**contract**” means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 “**EME**” means any enterprise with an annual total revenue of R5 million or less.
- 2.10 “**Firm price**” means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 “**functionality**” means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 “**non-firm prices**” means all prices other than “firm” prices;
- 2.13 “**person**” includes a juristic person;
- 2.14 “**rand value**” means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 “**sub-contract**” means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 “**total revenue**” bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 “**trust**” means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 “**trustee**” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.



7	2	4
8	1	2
Non-compliant contributor	0	0

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA’s approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

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

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8 SUB-CONTRACTING

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

8.1.1 If yes, indicate:

(i) what percentage of the contract will be subcontracted?%



- (ii) the name of the sub-contractor?
- (iii) the B-BBEE status level of the sub-contractor?
- (iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of firm :

9.2 VAT registration number :

9.3 Company registration number

:

9.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

9.6 COMPANY CLASSIFICATION

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

9.7 MUNICIPAL INFORMATION

Municipality where business is situated

Registered Account Number

Stand Number

9.8 TOTAL NUMBER OF YEARS THE COMPANY/FIRM HAS BEEN IN BUSINESS?

9.9 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 contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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.

ADDRESS:

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

..... SIGNATURE(S) OF BIDDER(S) DATE:.....
--



DECLARATION OF INTEREST

- 1. No bid will be accepted from persons in the service of the state*.
- 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 position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.

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

3.1 Full Name: _____

3.2 Identity Number: _____

3.3 Company Registration Number: _____

3.4 Tax Reference Number: _____

3.5 VAT Registration Number: _____

3.6 Are you presently in the service of the state ***YES / NO**

3.6.1 If so, furnish particulars.

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

3.7.1 If so, furnish particulars.

*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.



3.8 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

3.8.1 If so, furnish particulars.

3.9 Are you, aware of any relationship (family, friend, other) between a 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

3.9.1 If so, furnish particulars

3.10 Are any of the company's directors, managers, principal, shareholders or stakeholders in service of the state?

YES / NO

3.10.1 If so, furnish particulars.

3.11 Are any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholder in service of the state?

YES / NO

3.11.1 If so, furnish particulars.

CERTIFICATION

I, THE UNDERSIGNED (NAME): _____
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT. I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature

Date

Position

Name of Bidder



CONTRACT FORM - RENDERING OF SERVICES

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

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

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

NAME (PRINT): _____
CAPACITY: _____
SIGNATURE: _____
NAME OF FIRM: _____
DATE: _____

WITNESSES	
1	_____
2	_____
DATE:	_____



MBD 7.2

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

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

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

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

SIGNED AT _____ ON _____

NAME (PRINT): _____

SIGNATURE: _____

OFFICIAL STAMP

WITNESSES

1 _____

2 _____

DATE: _____

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 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 in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. 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	<p>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?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audialterampartem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <hr/> <p><i>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</i></p>	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	<i>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?</i>	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

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *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:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

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



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

MBD 9

The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

6. 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.
7. 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.
8. 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.
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.

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

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



T2.2 D Compulsory Enterprise Questionnaire

The following particulars must be furnished. In the case of a joint venture, separate enterprise questionnaires in respect of each partner must be completed and submitted.

Section 1: Name of enterprise:

Section 2: VAT registration number, if any:

Section 3: Professional registration number, if any:

Section 4: Particulars of sole proprietors and partners in partnerships

Name*	Identity number*	Personal income tax number*

* Complete only if sole proprietor or partnership and attach separate page if more than 3 partners

Section 5: Particulars of companies and close corporations

Company registration number

Close corporation number

Tax reference number

Section 6: Record in the service of the state

Indicate by marking the relevant boxes with a cross, if any sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- a member of any municipal council
- a member of any provincial legislature
- a member of the National Assembly or the National Council of Province
- a member of the board of directors of any municipal entity
- an official of any municipality or municipal entity
- an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999)
- a member of an accounting authority of any national or provincial public entity
- an employee of Parliament or a provincial legislature

If any of the above boxes are marked, disclose the following:

Name of sole proprietor, partner, director, manager, principal shareholder or stakeholder	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last



			12 months

*insert separate page if necessary

Section 7: Record of spouses, children and parents in the service of the state

Indicate by marking the relevant boxes with a cross, if any spouse, child or parent of a sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months been in the service of any of the following:

- a member of any municipal council
- a member of any provincial legislature
- a member of the National Assembly or the National Council of Province
- a member of the board of directors of any municipal entity
- an official of any municipality or municipal entity
-
- an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999)
- a member of an accounting authority of any national or provincial public entity
- an employee of Parliament or a provincial legislature

Name of spouse, child or parent	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months

*insert separate page if necessary

The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise:

- b) authorizes the Employer to obtain a tax clearance certificate from the South African Revenue Services that my / our tax matters are in order;
- ii) confirms that the neither the name of the enterprise or the name of any partner, manager,



director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004;

- iii) confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears, has within the last five years been convicted of fraud or corruption;
- iv) confirms that I / we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the Bidders or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest; and
- iv) Confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.

Signed

..... Date

Name

..... Position

Enterprise
Name

.....

