

## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

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

1.2 The applicable preference point system for this tender is the **80/20** preference point system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

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

	POINTS
PRICE	80
SPECIFIC GOALS	20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

1.5 **Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.**

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

## 2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

#### 3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

**80/20**

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

Where

P<sub>s</sub> = Points scored for price of tender under consideration

P<sub>t</sub> = Price of tender under consideration

P<sub>min</sub> = Price of lowest acceptable tender

## 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

**Table 1: Specific goals for the tender and points claimed are indicated per the table below. *Note to tenderers: The tenderer must indicate how they claim points for each preference point system.***

The specific goals allocated points in terms of this tender	Number of points allocated per goal (80/20 system) (dtic MUST complete)	Do you wish to claim points for this goal: Indicate YES or NO (Bidder MUST complete)	Please indicate the number of points you claim per goal. (80/20 system) (Bidder MUST complete)
<u>BEE Compliance:</u> Based on Section 10 of the B-BBEE Act (Act 53 of 2003 as amended by Act 46 of 2013). (Relevant point qualified for will be divided by 2 as a maximum of 10 points can be scored on this element).	10		
<u>Local Procurement:</u> The stimulation of the local economy by procuring from enterprises located within the borders of South Africa (All Provinces are therefore included)	6		
<u>HDI:</u> Black People/Women/Disabled People	2		
<u>SMME's:</u> The promotion of small businesses as defined in the National Small Business Act, 1963 (Act 102 of 1996 and the Amendment Act, Act 29 of 2004).	2		

#### DECLARATION WITH REGARD TO COMPANY/FIRM

4.2. Name of company/firm.....

4.3. Company registration number: .....

4.4. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

- 4.5. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:
- i) The information furnished is true and correct;
  - ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
  - iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.1, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
  - iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
    - (a) disqualify the person from the tendering process;
    - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
    - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
    - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
    - (e) forward the matter for criminal prosecution, if deemed necessary.

**The following proof to substantiate preferential claims is required and MUST be submitted together with your bid proposal:**

- 4.6 For claims based on B-BBEE compliance based on Section 10 of the B-BBEE Act (Act 53 of 2003 as amended by Act 46 of 2013): A Valid Certified B-BBEE certificate **OR** Valid Certified CIPC B-BBEE certificate **OR** Valid Certified Sworn Affidavit.
- 4.7 For claims based on Local Procurement (Provincial): Proof of address (municipal rates account **OR** bank statements **OR** lease agreement **OR** certified affidavit **OR** CSD report).
- 4.8 For claims based on HDI (Race, Women or People with disabilities): Copy of CIPC (Companies and Intellectual Property Commission) registration, copies of ID's as well as CSD (Central Supplier Database) report and for claims based on disability a letter from a specialist / doctor certifying disability must be submitted to substantiate claims based on disability.

- 4.9 For claims based on Small Medium Micro Enterprises (SMME's): SARS return indicating annual turnover **OR** Certified Sworn Affidavit indicating annual turnover.
- 4.10 **Failure on the part of a service provider to submit proof or documentation required in terms of this ToR to claim points for specific goals, may be interpreted to mean that preference points for specific goals are not claimed and no points will be allocated.**
- 4.11 Bidders that choose to claim preference points must do so by completing the SBD 6.1 and provide the necessary proof to substantiate the claim(s) at the time of submitting the bid proposal in the functional proposal envelope. **It is the responsibility of the bidder to attach the relevant proof for each goal claimed to the SBD 6.1 form. FAILURE TO DO SO MAY RESULT IN NO POINTS ALLOCATED FOR PREFERENTIAL GOALS.**

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SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:	.....
DATE:	.....
ADDRESS:	.....
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