

REQUEST FOR QUOTATION (RFQ)

| | |
|----------------------------|---|
| REQUISITION NUMBER | RFQ NO-26-01-2024 |
| DESCRIPTION | APPOINTMENT OF A PANEL OF THREE (3) DEBT COLLECTION AGENCIES TO ASSIST WITH THE COLLECTION OF GRANT FUNDS ALREADY PAID OUT BUT NOT ACCOUNTED FOR TO THE NAC. |
| ISSUE DATE | 26 January 2024 |
| CLOSING DATE | 09 February 2023 |
| BID VALIDITY PERIOD | 90 Days (Commencing from RFQ Closing date) |
| CLOSING TIME | 12:00 Noon |

1. PURPOSE

The NAC is seeking the services of a suitably qualified and experienced Service Providers with requisite experience to be part of a panel of three (3) service providers which will be responsible for debt collection services on behalf of the NAC.

2. BACKGROUND

The National Arts Council of South Africa, an Agency of the Department of Arts and Culture, is the de-facto successor in title to the Foundation for the Creative Arts, originally established in 1989. NACSA's mandate as set out in the National Arts Council Act, Act 56 of 1997, specifies its Objects as:

- To provide, and encourage the provision of, opportunities for persons to practice the arts
- To promote the appreciation, understanding and enjoyment of the arts
- To promote the general application of the arts in the community
- To foster the expression of a national identity and consciousness by means of the arts
- To uphold and promote the right of any person to freedom in the practice of the arts
- To give the historically disadvantaged such additional help and resources as are required to give them greater access to the arts
- To address historical imbalances in providing infrastructure for the promotion of the arts
- To promote and facilitate national and international liaison between individuals

3. SCOPE OF WORK

The mission of the NAC is to be an accessible and a responsive funding agency, delivering public value by leveraging partnerships to foster the development promotion and sustainability of the arts sector.

The Debt Collection Services are required in order to retrieve grant funds which were paid out but not accounted/reported. The Debt Collector will be required to render the debt collection services to the NAC on a wide collection range specifically on monies disbursed by the NAC.

The scope of work shall comprise of the following:

- Locate Grant Beneficiaries using credit bureau information, background checks, funding application documents, and other paperwork or databases;
- Review conditions of grant funding contracts;
- Set up repayment plans and/or terms and same to be approved by NAC;
- Utilise any form of campaign to ensure recovery;
- Record new commitment to repay outstanding debts;
- Print reports for NAC on a weekly and monthly basis;
- Purge records from deceased estates with the trustees;
- Perform clients audits as prescribed by NAC from time to time.

4. DEBT COLLECTION PROCESS

The Successful Bidder(s) will conduct a collection process as agreed with NAC as follows:

4.1.1 Communicate to the debtor that his/her account has been handed over.

4.1.2 Where the debtor has not responded, issue a formal final demand which should include the amount to be claimed and returned back to the NAC.

4.1.3 Where the debtor wants to apply for a deferral of payment arrangement or a compromise, the case must be referred back to NAC, as per the prevailing process that NAC requires.

4.1.4 Where a debtor indicates liquidation / sequestration / deceased and/or business rescue, notify NAC immediately and stay all collection action.

5. TIME FRAMES

The duration of the contract will be for period of two (2) years from date of appointment with an option to extend by one (1) year.

6. MANDATORY REQUIREMENTS

The service provider must indicate their compliance/ non-compliance to the following requirements and to substantiate as required. The bidder must respond in the format below, where additional information is provided/ attached somewhere else; such information must be clearly referenced.

| 6.1.1 MANDATORY REQUIREMENTS | Comply | Not Comply |
|---|--------|------------|
| <p>POPIA Compliance The bidding entity must have an established documented policy and procedure in place to ensure POPIA Compliance.</p> <p>The bidder must submit as part of this proposal the bidding entities POPIA policy/procedure documents as proof that they are POPIA compliant.</p> <p><i>Failure to provide a documented policy/procedure will render your bid incomplete and non-responsive</i></p> | | |
| Debt Collection firms must submit valid proof of registration with the Council of Debt Collectors of the Firm, Directors/Members, as well as all debt collectors envisaged to work on this tender. | | |
| <p>Attorneys/ Law firms must submit proof of:</p> <p>Letter of Good Standing - Submit certified copies of a valid Letter of Good Standing with the Legal Practice Council of South Africa for all the Attorneys of the bidding entity, who will render the services to the NAC.</p> <p>Fidelity Fund Certificate - Submit a certified copy of a valid Fidelity Fund Certificate/s of all the Attorneys of the bidding entity, who will render the services to the NAC</p> | | |
| Substantiate / Comments | | |

7. FUNCTIONALITY EVALUATION CRITERIA

Tenders shall be evaluated in terms of the following parameters and shall be scored on the weightings stated below. Bidders will need to score a minimum of **80 points out of 100 points** in order to be evaluated further.

| Evaluation Area | Evaluation Criteria | Total Points |
|--|--|------------------|
| Track record of successfully completing projects of similar nature (Debt Collection) | <p>The bidder must provide a minimum of Five (05) reference letters as follows:</p> <p>Each letter/s must meet ALL of the following requirements in order for the letter to be accepted for evaluation.</p> <p>The reference letter must:</p> <ol style="list-style-type: none">1. Be on a client's company's letterhead2. Must be dated not older than three (3) years from the date the tender is published.3. Be signed by an authorised client representative4. Stipulate the client contact details (name and phone number/email)5. Stipulate the detailed description of actual services provided.6. Stipulate the contract period (start and end date-YYYY-MM-DD).7. Success rate of collections out of 100%. <p>NB: Please specify age of the debt collected and average value of the debt.</p> <p>Number of reference letters submitted (15 points)</p> <ul style="list-style-type: none">• < 3 letters = 5 points• 3 or more letters = 10 points• >5 letters = 15 points <p>Average success rate of collections calculated as follows: total percentage of collections as stated in the letters combined, divided by total number of letters (15 points)</p> | 30 Points |

| | | |
|---|---|------------------|
| | <ul style="list-style-type: none"> • Less than 30% = 5 points • 51% to 75% = 10 points • Greater than 75% = 15 points | |
| Experience | <p>Company's debt collection experience to be stated in the company profile/ company registration document. (20 points)</p> <ul style="list-style-type: none"> • years or greater = 20 points • 5 years more years = 15 points • Less than 5 years = 10 points | 20 Points |
| Resources | <p>Provide a detailed resource structure indicating the resources that will service the NAC. The resource structure should at least have the following resources: (20 points)</p> <p>Support Teams: 5 points</p> <ul style="list-style-type: none"> • Finance Team = 2 points • IT Team = 3 points <p>Operational Team: 15 points</p> <ul style="list-style-type: none"> • Key Accounts Manager = 3 points • Call Centre manager = 3 points • Call Centre team leader = 3 points • Call Centre agents = 3 points • Data Analyst = 3 points | 20 Points |
| Debt Collection Solution / Methodology | <p>Bidders are required to provide a detailed description of the debt collection solution in place confirming its functionality and features:</p> <ul style="list-style-type: none"> • Interactive Voice Response (IVR)= 4 points • Reporting for Call Centre stats = 4 points • Voice Logging (Recordings) = 4 points • Outbound call facilities = 4 points • Inbound call facilities = 4 points • Integrated SMS and email capabilities = 4 points • Bulk communication: (6 points) • SMS = 3 points, • Email = 3 points | 30 Points |

A FUNCTIONALITY SCORE OF LESS THAN (80) POINTS WILL ELIMINATE THE PROPOSAL FOR FURTHER EVALUATION

8. PRICING SCHEDULE/FEES

Bidders are required to include in their responses, fee proposals in respect of the commission to be charged per transaction with proposed discounts and whether the commission is negotiable.

| DESCRIPTION | Commission Rate |
|--------------------------|-----------------|
| Debt Collection Services | _____ % |

Price Escalation

| CPI Rates | Comply | Not Comply |
|--|--------|------------|
| The price escalation will be based on the average CPI rates of the preceding 12 months for subsequent contractual year extensions. | | |

9. PRICE AND PREFERENCE POINTS EVALUATION

| | Preference Point Criteria | Points Allocation |
|--------------|---------------------------|-------------------|
| 1. | Price | 80 |
| 2. | Specific goals | 20 |
| Total Points | | 100 |

¹ Specific Goals for this tender and points that may be claimed are indicated per table below:

| Specific goals | 80/20 Preference Point System |
|---------------------------|-------------------------------|
| Black Ownership | 10 |
| 30% Black Women Ownership | 4 |
| Youth Ownership | 3 |
| Disability 30% Ownership | 3 |

Black ownership: 100% black owned entities will score the full 10 points and between 51% - 99.99% black owned entities will score 4 points.

10. PROCESS TO BE FOLLOWED FOR SELECTING THE TOP THREE (03) DEBT COLLECTION AGENCIES:

- a. The panel of Debt collectors will be appointed based on the bidders meeting the overall evaluation criteria i.e mandatory and functionality evaluation.
- b. The allocation of work to the Three (03) Debt Collection service providers will be based on highest ranked total points for functionality and percentage of commission.
- c. When the NAC identifies a specific need for services, a request for debt collection services with a detailed brief, scope of work or instructions will be sent to the appointed service providers.
- d. A purchase order will be placed with the lowest service provider provided when collections are made.

11. PROPOSAL SUBMISSION

Closing Date: 09 February 2024

Time: @ **12:00 Noon**

Attention: Esona Zandile

Email: supplychain@nac.org.za

Kindly submit your quotation electronically to the Supply Chain Management Unit
(supplychain@nac.org.za) by.

12. ENQUIRIES

| | |
|-----------------------|--|
| SCM Enquiries: | Esona Zandile Tel: 011 838 1383/4/5 Email: supplychain@nac.org.za |
|-----------------------|--|

13. TERMS AND CONDITIONS:

- a. The completed SBD 1, SBD 4 and SBD 6.1 should be submitted with the quotation
- b. Proof of registration with the Central Supplier Database (CSD) must be submitted.
- c. No late quotations will be accepted under any circumstances.
- d. Price(s) quoted must be valid for at least ninety (90) days from date of offer for evaluation purposes.
- e. Tenderers original valid tax clearance certificate must be attached.
- f. Tender original or certified B-BBEE Certificate must be attached to the document
- g. Documents should not exceed **10mb**
- h. Suppliers must complete and **return all the required documents**, failing which, the supplier's quotation will be declared invalid.
- i. Disclaimer: The NAC reserves the right not to make an appointment and cancel the RFQ.
- j. **The NAC reserves the right not to accept the lowest quote received**

PART A

INVITATION TO BID

| | | | | | |
|--|--|---------------|--|--|--|
| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE <i>(NAME OF DEPARTMENT/ PUBLIC ENTITY)</i> | | | | | |
| BID NUMBER: | RFQ-26-01-2024 | CLOSING DATE: | 09 February 2024 | CLOSING TIME: | 12h00 |
| DESCRIPTION | APPOINTMENT OF A PANEL OF DEBT COLLECTION AGENCIES TO ASSIST WITH THE COLLECTION OF GRANT FUNDS ALREADY PAID OUT BUT NOT ACCOUNTED FOR TO THE NAC. | | | | |
| BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT <i>(STREET ADDRESS)</i> | | | | | |
| supplychain@nac.org.za | | | | | |
| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO | | | TECHNICAL ENQUIRIES MAY BE DIRECTED TO: | | |
| CONTACT PERSON | Esona Zandile | | CONTACT PERSON | Esona Zandile | |
| TELEPHONE NUMBER | | | TELEPHONE NUMBER | | |
| FACSIMILE NUMBER | | | FACSIMILE NUMBER | | |
| E-MAIL ADDRESS | supplychain@nac.org.za | | E-MAIL ADDRESS | supplychain@nac.org.za | |
| SUPPLIER INFORMATION | | | | | |
| NAME OF BIDDER | | | | | |
| POSTAL ADDRESS | | | | | |
| STREET ADDRESS | | | | | |
| TELEPHONE NUMBER | CODE | | NUMBER | | |
| CELLPHONE NUMBER | | | | | |
| FACSIMILE NUMBER | CODE | | NUMBER | | |
| E-MAIL ADDRESS | | | | | |
| VAT REGISTRATION NUMBER | | | | | |
| SUPPLIER COMPLIANCE STATUS | TAX COMPLIANCE SYSTEM PIN: | | OR | CENTRAL SUPPLIER DATABASE No: | MAAA |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE | TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No | | B-BBEE STATUS LEVEL SWORN AFFIDAVIT | | [TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No |
| [A B-BBEE STATUS LEVEL VERIFICATION CERIFICATE/ 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 THE QUESTIONNAIRE BELOW] |
| QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS | | | | | |

| | |
|---|--|
| IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| DOES THE ENTITY HAVE A BRANCH IN THE RSA? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? | <input type="checkbox"/> YES <input type="checkbox"/> NO |

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).

TAX COMPLIANCE REQUIREMENTS

BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.

BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.

APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.

BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.

IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

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

NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. company resolution)

DATE:

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

| Full Name | Identity Number | Name of State institution |
|-----------|-----------------|---------------------------|
| | | |
| | | |
| | | |

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

I, _____ the _____ undersigned,
(name)..... in submitting
the accompanying bid, do hereby make the following statements that I certify to be
true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature Date

.....
Position Name of bidder

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 system is 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

1.2 To be completed by the organ of state

- a) The applicable preference point system for this tender is the 80/20 preference point system.
- b) The 80/20 preference point system will be applicable in this tender. The lowest/highest acceptable tender will be used to determine the accurate system once tenders are received.

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 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

| | POINTS |
|--|------------|
| PRICE | 80 |
| SPECIFIC GOALS | 20 |
| Total points for Price and SPECIFIC GOALS | 100 |

- 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 SYSTEM

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_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20

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

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{max} = Price of highest 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:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, the 80/20 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

- (b) any other invitation for tender, the 80/20 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for the 80/20 preference point system.

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 (80/20 system) (To be completed by the organ of state) | Number of points claimed (80/20 system) (To be completed by the tenderer) |
|---|---|---|
| Black Ownership | 10 | |
| 30% Black Women Ownership | 4 | |
| Youth Ownership | 3 | |
| Disability 30% Ownership | 3 | |

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:
.....

4.5. 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]

4.6. 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 4.2, 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

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....