



PROCUREMENT OF LEAD TRANSACTION ADVISORY SERVICES AT TSWELOPELE LOCAL MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS

BID NO: SCM/TSW/03/2022-2023

CLOSING DATE:

CLOSING TIME:

BIDDERS PARTICULARS:	
NAME OF BIDDER	
CONTACT NUMBER(S)	
E-MAIL	
POSTAL ADDRESS	
PHYSICAL ADDRESS	



BID NOTICE

**PROJECT NAME: PROCUREMENT OF TRANSACTION ADVISORY
SERVICES AT TSWELOPELE LOCAL MUNICIPALITY
FOR A PERIOD OF THREE YEARS**

BID NO:

Bids are hereby invited for the Procurement of Transaction Advisors at Tswelopele Local Municipality for a Period of Three Years. The minimum specifications are detailed in the Bid document. Bid documents will be available on e-Tender and the Tswelopele Local Municipality's website, www.tswelopele.gov.za and [etender portal](#) from **28 July 2022**. Enquiries should be addressed to Ms PJ Loape.

Completed bid documents are to be placed in a sealed envelope endorsed "**PROCUREMENT OF TRANSACTION ADVISORY SERVICES AT TSWELOPELE LOCAL MUNICIPALITY SERVICES FOR A PERIOD OF THREE YEARS. BID NO. SCM/TSW/03/2022.**"

All bids must be deposited in the Bid Box, at the offices of the Tswelopele Local Municipality, **not later than 11h00 on xxxxxx**, at which time the bids will be opened in public.

Bidders to note that a Pre-Qualification Evaluation will be undertaken. The pre-qualification evaluation criteria and points are as follows:

Experience	-	75 points
Methodology	-	25 points

A minimum score of **75 out of 100 points** in total in the technical evaluation criteria must be scored in order to proceed to the Financial Evaluation.

BIDDERS SHALL TAKE NOTE OF THE FOLLOWING BID CONDITIONS:

- [a] The Tswelopele Local Municipality Supply Chain Management Policy will apply;
- [b] The Tswelopele Local Municipality does not bind itself to accept the highest point scorer or any other quotation and reserves the right to accept the whole or part of the quotation;
- [c] Bids which are late, incomplete, unsigned or submitted by facsimile or electronically, will not be accepted.
- [d] Price(s) quoted must be valid for at least ninety (90) days from date of your offer.
- [e] Price(s) quoted must be firm and must specify whether inclusive of VAT (if a VAT vendor).
- [f] For all transactions your tax reference number/pin at SARS must be furnished.
- [g] Successful bidders will be required to register as a supplier/service provider on the National Treasury's Central Supplier Database, if not already registered.

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SECTION A TENDERING PROCEDURE

**PART A
INVITATION TO
BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NALA LOCAL MUNICIPALITY					
BID NUMBER:		CLOSING DATE:		CLOSING TIME:	12h00
DESCRIPTION	PROCUREMENT OF TRANSACTION ADVISORY SERVICES AT TSWELOPELE LOCAL MUNICIPALITY FOR A PERIOD RNDING 30 JUNE 2025				
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.

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]	Ye s No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		Ye s 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?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE FOR REGISTERED VAT VENDERS ONLY <u>OR</u>	R
SIGNATURE OF BIDDER		TOTAL BID PRICE FOR NON-VAT VENDORS ONLY	R
CAPACITY UNDER WHICH THIS BID IS SIGNED	DATE		
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT		CONTACT PERSON	
CONTACT PERSON		TELEPHONE NUMBER	
TELEPHONE NUMBER		FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	
E-MAIL ADDRESS			

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION AND ONLY MUNICIPAL WATCH IN THE RECEPTION WILL BE USED AS MEASURE FOR TIME.

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.

2.8 PROSPECITE BIDDERS MUST PROVIDE SERVICES OF ACCOUNT THAT IS NOT IN ARREARS FOR MORE THAN 90 DAYS, IN CASE OF LEASE AGREEMENT THE LESSOR SERVICES ACCOUNT MUST BE PROVIDED TO ASSESS THAT THE ACCOUNT IS NOT MORE THAN 90 DAYS IN ARREARS AND/OR SERVICES OF ACCOUNT FOR EACH DIRECTOR OF THE COMPANY IS ACCEPTABLE.

2.9 BBBEE/SWORN AFFIDAVIT IF NOT ATTACHED NO POINTS WILL BE AWARDED

2.10 THE TENDER WILL BE EVALUATED USING RETURNABLES REQUIREMENTS, FUNCTIONALITY AND PPPF (PRICE=90 POINTS) AND BBBEE (20 POINTS)

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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

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

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

TENDER CONDITIONS

1. DEFINITIONS

The word "Bidder/Tender" in these conditions shall mean and include any firm of Contractors, Suppliers, Service Providers or any company or body incorporated or unincorporated.

The word "Municipality" in these conditions shall mean the Nala Local Municipality.

2. DISQUALIFYING FACTORS

- (a) The following declaration forms must be completed and signed: MBD

1: Invitation to Bid

MBD 4: Declaration of Interest (In the Service of the State) MBD

6.2: Local Production and Content

MBD 8: Declaration of Bidder's Past SCM Practices MBD 9:

Certificate of Independent Bid Determination

Failure to sign and / or complete the declaration part of this bid will result in the bid being disqualified.

The highest point scorer or any bid will not necessarily be accepted.

- (b) The bid document must be completed in all respects in non-erasable ink.
- (c) Bids must be submitted on original bid documents.
- (d) Bid documents must remain intact and no portion may be detached.

3. PERIOD OF VALIDITY FOR BIDS AND WITHDRAWAL OF BID AFTER CLOSING DATE

All Bids must remain valid for a period of 90 (ninety) days from the closing date as stipulated in the Bid document.

4. CLOSING DATE / SUBMITTING OF BIDS

Bids must be submitted in sealed envelopes clearly marked **"Bid for contract:**

SCM/TSW/03/2022-2023, PROCUREMENT OF TRANSACTION ADVISORY SERVICES AT TSWELOPELE LOCAL MUNICIPALITY FOR A PERIOD OF THREE YEARS".

The Bid must

be deposited in the bid box at 01 Bosman Street, Civic Centre, Bultfontein, 9670, by no later than 12:00 pm on **06th of September 2022**. Thereafter bids will be opened in public.

8. BID ENQUIRIES

Please refer all enquiries to PJ Loape at 051 8531111 during office hours viz. 07:30 – 16:00
Mondays to Fridays

9. JOINT VENTURE REQUIREMENTS

DEFINITION: - “**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.

Should a group of companies/firms and/or interested parties wish to enter into a joint venture/consortium agreement the following minimum requirements must be met: -

- a. A properly signed copy of the joint venture/consortium agreement must be attached.
- b. Each member of the joint venture/consortium must provide a Tax Clearance Certificate or SARS pin.
- c. After the award of a contract to a joint venture/consortium, the successful joint venture group or consortium must provide a combined joint venture/consortium Tax Clearance Certificate or SARS pin.
- d. After the award of a contract to a joint venture/consortium, the successful joint venture group or consortium must provide the details of the joint venture / consortium banking details.
- e. 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 tender.

THE JOINT VENTURE/CONSORTIUM AGREEMENT MUST CONTAIN THE FOLLOWING:-

- a. Who the managing member will be.
- b. Who the signatory of authority will be.
- c. How the joint venture/consortium share of profit will be split.
- d. The bank account details where payments will be deposited into.
- e. The agreement must be signed by all parties.
- f. The agreement must be certified by a Commissioner of Oaths.
- g. The postal and physical address where all correspondence will be sent to.

TERMS OF REFERENCE

It is the intention of Tswelopele Local Municipality to enter into a formal contract with a Transaction Advisor that will carry out the services described hereunder. This tender document and the service provider's proposal will form the basis of the contract.

SECTION 1: DETAILS

Province	Free State
Municipality	Tswelopele Local Municipality
Project Name	Procurement of Transaction Advisory Services at Tswelopele local Municipality for a Period ending 30 June 2025.

SECTION 2: PROJECT DESCRIPTION

The proposal is to acquire the services of a Transaction Advisers for various Projects. The Transactional advisors will be working with the planning and technical directorates project management office which is responsible for the overall facilitation, management and implementation of Tswelopele Local Municipality's Capital Works (CAPEX) Projects. as outlined in the Municipal long- term Vision. The key responsibility of the Transaction Advisors is to develop sector specific business plans and source funding on a Project Finance Basis

"Provide a short summary of the municipality's strategic vision on infrastructure delivery" All proposals received which meet the functionality criteria will be adjudicated accordingly.

The next phase will be for the appointed firm to seek funding and to present the full proposal including the funding, terms, conditions and fees, which will best promote the T Local Municipality's brand, cost effectiveness and importantly assist in achieving the goals set in the National Development Plan.

The Project Team will assess the proposals to establish if they meet the expectations of the Municipality and enter into further contractual agreements with the Transactional Advisor and the Funding Institution(s).

The Transactional Advisors will be required to work towards the realisation of the following Programmes in line with the municipality's vision:

1. Sewer Upgrades
2. Stormwater Upgrades
3. Wastewater Treatment Works
4. Energy (Independent Power Production)

5. Electrification and Distribution
6. Road Upgrades

SECTION 3: SCOPE OF WORK

The Transaction Advisors deliverables are as follows:

1. Phase 1: Feasibility Study

- 1.1 The Transaction Advisor is required to undertake a comprehensive feasibility analysis to establish the viability and affordability of the proposal.
- 1.2 The analysis will include an assessment of the viability of developing the project through a PPP arrangement and will include, among others, the following components:
 - 1.2.1 Specific analysis into the feasibility of executing this project in consideration of both the lifecycle costs and revenue streams.
 - 1.2.2 Financing options for the Project;
 - 1.2.3 A PPP Options Report which will include the full identification and allocation of transaction risks to both the public and private parties. The allocation will be based on who is best placed to manage the risks. In other words, the allocation will be a reflection of the comparative or relative ability of each party to address a specific risk. The allocation will also set out how the risk allocation impacts on the transaction;
 - 1.2.4 Establishing that the PPP proposal delivers value-for-money for the Municipality; affordable rates for the users, and at the same time provides an acceptable return on investment to the investor.
 - 1.2.5 Local market sounding and investment promotion meetings for the purposes of gauging investment appetite for the transaction and its proposed structure;
 - 1.2.6 The Transaction Advisor and Technical Directorate within the municipality are to prepare documentation for consideration by the Tswelopele Local Municipality's Supply Chain Management Unit. The documentation shall concisely set out:
 - i. Brief description of the project.
 - ii. The output specifications
 - iii. Requirements for compliant bids as prescribed by the Tswelopele Local Municipality SCM Policy;
 - iv. A risk profile as established in the feasibility study;
 - v. The payment mechanism;
 - vi. The bid process;
 - vii. Evaluation criteria;
 - viii. Bidder communication systems;
 - ix. Draft Agreement.

1.2.7 Any other matter that may have a material impact on any element of the Project.

Phase 2: PPP Procurement

- 1.3 In the event that a feasibility study, a PPP solution is considered an optimal solution, and if the Tswelopele Local Municipality opts to proceed to the procurement stage the Transaction Advisors will be required to provide the necessary technical, legal and financial advisory support for the procurement of the public private partner.
- 1.4 All activities shall comply with the provisions of the PPP Guidelines and Procedures Manual and other applicable procurement and PPP principles and Regulations.

2. PPP Agreement Negotiations

- 2.1 The Advisors will assist the Tswelopele Local Municipality in the final negotiations with the preferred service provider. This will involve categorizing issues appropriately, developing timelines for completion, and planning negotiation strategies and processes for reaching an effective agreement. The Advisor must ensure that all agreements reached are incorporated into appropriate financial, commercial and legal documentation, and must assist with drafting the necessary and related correspondence.
- 2.2 The Transaction Advisors will be required to submit a close-out report for securing the public private partner.
- 3.3. The final terms of the agreements, each as negotiated with the preferred service provider, must be submitted to the Tswelopele Local Municipality, along with the PPP agreement management plan. The Transaction Advisors will be responsible for compilation of the necessary documentation to obtain the necessary approval.

SECTION 4: ACTIVITIES AND DELIVERABLES

4.1 Activities:

- 4.1.1 The Transaction Advisor will be required to produce a comprehensive feasibility study for the Project working with relevant government departments or parastatal or private partner.
- 4.1.2 Transaction Advisor support will be inclusive of planning, feasibility analysis, source funding, procurement support and institutionalization.
- 4.1.3 In order for the Tswelopele Local Municipality to make an informed decision, the Transaction Advisor must provide the full project cycle costs, affordability limits and risks.
- 4.1.4 On completion of the aforementioned phase the funder will have identified a project that is

suitable for development or implementation.

- 4.1.5 The key objective is to improve the quality of project outcomes by ensuring a link between the objectives of the municipality.

4.2 Deliverables:

- 4.2.1 Establish public private partnerships at all levels;

4.2.2 Secure funding for projects;

4.3 Inception / Project Initiation Phase:

4.3.1 Confirmation of the Scope of work

4.3.2 Confirm Project deliverables

4.3.3 Confirm Project approach and methodology

4.3.4 Identification of pertinent stakeholders

4.3.5 Identify Project Risks

4.3.6 Present a project program including a schedule of meetings

4.3.7 Develop a payment program

SECTION 5: PRICING SCHEDULE

The Transaction Advisors will not be paid directly from the Tswelopele Local Municipality budget or grants.

One of the key roles of the Transaction Advisor is to raise funds for identified programs and projects. They will be paid a negotiated percentage fee of the funds successfully raised and secured. The discussions are also to get an agreement on the intervals of the milestones of to pay the fees.

SECTION 6: DOCUMENTATION AND INFORMATION RELATED TO THE BRIEF

A compulsory briefing session will be held on xxxxxxxx. Prospective bidders are to meet at 01 Bosman Street, Civic Centre, Bultofntein, 9670 (Town hall) Tswelopele Local Municipality at the said time.

Any related information available at Tswelopele Local Municipality will be provided to the prospective bidders.

Ownership of factual information, collected by the appointed service provider and paid for by the Project Funders shall vest with the municipality and Project Funders. Electronic version of the information should be supplied to the Municipality.

SECTION 7: PROJECT COSTS & PAYMENT MILESTONE

The Transaction Advisors will not be paid directly from the NLM budget or grants.

One of the key roles of the transaction advisor is to raise funds for identified programs and projects. They will be paid a negotiated percentage fee of the funds successfully raised and secured. The discussions are also to get an agreement on the intervals of the milestones of to pay the fees.

SECTION 8: FUNCTIONALITY

	CRITERIA	POINTS
1.	Experience	75
2.	Methodology	25
	TOTAL	100

POINTSCORING

CRITERIA	POINTS
EXPERIENCE Successfully undertaken Transaction Advisory work for which funding was successfully secured. (Reference letters with contactable references to be provided for each similar project undertaken. Failure to submit will result in no points being allocated) Required experience in all three sectors of Public Private Partnership Practice: o Over 10 years experience as a Transaction Advisor: 25 points o to 10 years experience as a Transaction Advisor: 10 points; and o Zero to 5 years experience as a Transaction Advisor: 0 points Completed Public Private Partnership Project Mandates: Over 5 Public Private Partnership Mandates Completed: 25 points;	75

Between 2 and 4 Public Private Partnership Mandates Completed: 10 Points Between 1 and 2 Public Private Partnership Mandates Completed: 5 Points; and Zero Public Private Partnership Mandates Completed: 0 points	
Experience as a Public Private Partnership and Project Financier, in both South Africa and Sub Saharan Africa, at a leading Infrastructure Funding Institution in RSA: o Public Private Partnership and Infrastructure Financing expertise in South Africa and Sub Saharan Africa: 25 Points o No Experience in Public Private Partnership and Infrastructure Experience in South Africa and Sub Saharan Africa: 0 Points	
METHODOLOGY Demonstrate the project approach, business model and methods of securing partnerships and funding.	25

Bidders should take note of the above Pre-evaluation criteria.

- [a] All the necessary documentation must be submitted for the Evaluation Panel to make an informed evaluation. Evaluation of the Technical (Quality) Requirements will be based on the information provided by the bidder.
 - [i] **Experience** - The experience annexure must be completed. Only list projects of a similar nature where funding was successfully secured.
 - [ii] **Methodology** – The bidder must clearly demonstrate the project approach, business model and methods of securing partnerships and funding.
- [b] Bids that do not meet a minimum of **75** points out of 100 in total for the criteria listed above will not be considered further.

SECTION 9: SPECIAL CONDITIONS

- 9.1 Prior to the appointment as the lead transactional advisor, a detailed Organogram of the project team, detailing each team members experience, qualifications, skills and Professional Registration must be submitted.
- 9.2 Payments will be made according to milestones for each project for which funds has been secured and received will be negotiated on a project by project basis.
- 9.3 The Transaction Advisor's funding and payment schedule will be agreed with the Providers of capital at the applicable time. It is the Transaction Advisor's main mandate to raise the Project Development Funding for the Projects on behalf of the Municipality.

SECTION B RETURNABLE DOCUMENTS

**TAX CLEARANCE CERTIFICATE/ TCC NUMBER / TAX VERIFICATION PIN TO BE
ATTACHED HERE**

Compulsory VAT Registration

It is mandatory for a business to register for VAT if the total value of taxable supplies made in any consecutive twelve months period exceeded or is likely to exceed R1 million. The business must complete a VAT 101 - Application for Registration form and submit it to the local SARS branch within 21 days from date of exceeding R1 million

NATIONAL TREASURY CENTRAL SUPPLIER DATABASE (CSD) REPORT TO BE

ATTACHED HERE

MBD 4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
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.
3. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
 - 3.1 Full Name of bidder or his or her representative:.....
 - 3.2 Identity Number:
 - 3.3 Position occupied in the Company (director, trustee, shareholder²):.....
 - 3.4 Company Registration Number:
 - 3.5 Tax Reference Number:.....
 - 3.6 VAT Registration Number:
 - 3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.
 - 3.8 Are you presently in the service of the state? **YES / NO**
 - 3.8.1 If yes, furnish particulars.....

¹MSCM 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.

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

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

3.9.1 If yes, furnish particulars.....

.....

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

3.10.1 If yes, furnish particulars.

.....

.....

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

3.11.1 If yes, furnish particulars

.....

.....

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

3.12.1 If yes, furnish particulars.

.....

.....

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

3.13.1 If yes, furnish particulars.

.....

.....

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

3.14.1 If yes, furnish particulars:

.....

.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
CapacityName of Bidder

DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED)

For all procurement expected to exceed R10 million (all applicable taxes included), bidders must complete the following questionnaire:

1 Are you by law required to prepare annual financial statements for auditing?

***YES / NO**

1.1 If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

***YES/NO**.....

.....

2 Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days?

***YES/NO**

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.

***YES/NO**

2.2 If yes, provide particulars.

.....

.....

.....

.....

* Delete if not applicable

Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract?

***YES/NO**

3.1 If yes, furnish particulars

.....

.....

4. Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic?

***YES/NO**

4.1 If yes, 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

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

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

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

1. GENERAL CONDITIONS

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

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

1.2

a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

b) The 80/20 preference point system will be applicable to this tender Points for this bid shall be awarded for:

(a) Price; and

(b) B-BBEE Status Level of Contributor.

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

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

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

- 1.5 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

- (a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **"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 goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **"EME"** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **"functionality"** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **"prices"** includes all applicable taxes less all unconditional discounts;
- (h) **"proof of B-BBEE status level of contributor"** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **"QSE"** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

$$\begin{array}{ccc}
 \textbf{80/20} & \textbf{or} & \textbf{90/10} \\
 P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_t - P_{\min}} \right) & \text{or} & P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_t - P_{\min}} \right)
 \end{array}$$

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

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

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

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

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

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

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

7. SUB-CONTRACTING

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

(***Tick applicable box***)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted %
- ii) The name of the sub-contractor:.....
- iii) The B-BBEE status level of the sub-contractor:
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

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

Designated Group: An EME or QSE which is at least 51% owned by:	EME ✓	QSE ✓
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

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

8.7 MUNICIPAL INFORMATION

Municipality where business is situated:

Registered Account Number:

Stand Number:.....

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

8.9 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 contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

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

(e) forward the matter for criminal prosecution.

WITNESSES

1.

2.

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

DATE:

ADDRESS

.....

.....

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	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? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). 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.	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? 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.	Yes ☐	No ☐
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 ☐	No ☐

4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes ☐	No ☐
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 ☐	No ☐
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

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

Js9141w 4

RESOLUTION TO SIGN

Signatory for companies shall confirm their authority thereto by attaching a duly signed and dated copy of the relevant resolution of the boards of directors to this form.

An example is given below:

By resolution of the board of directors passed at a meeting held on

Mr/Mrs, whose signature appears below, has been duly authorised

to sign all documents in connection with the Bid for Contract No..... and
any Contract that may arise there from on behalf of (name of Bidder in block capitals)

.....

SIGNED ON BEHALF OF THE COMPANY:

IN HIS/HER CAPACITY AS:

DATE:

SIGNATURE OF SIGNATORY:

WITNESSES: 1.

2.

CURRENT AND PAST EXPERIENCE FOR TSWELOPELE LOCAL MUNICIPALITY AND OTHER INSTITUTIONS

Bidders must furnish hereunder details of *similar* works/service, which they are currently undertaking or have undertaken. Bidders to provide contactable references for all projects listed below.

EMPLOYER /INSTITUTION NAME	NATURE OF WORK/ PROJECT NAME	AWARDED AMOUNT	COMMENCEMENT DATE	COMPLETION DATE	EMPLOYER CONTACT NO. AND CONTACT PERSON

.....
DATE

.....
SIGNATURE OF BIDDER

COMPANY COMPOSITION

GENERAL

All information must be filled in the spaces provided or attach a copy of the company's CK Certificate to this page.

NAME	IDENTITY NUMBER	% OWNED	WOMEN (YES/NO)

TOTAL WOMEN OWNERSHIP %: _____

SECTION C
PRICING SCHEDULE

PRICING SCHEDULE
(Professional Services)

Name of Bidder:	Bid Number:
Closing Time:	Closing Date:

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
------------	-------------	--

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
.....	R.....	
.....	R.....	
.....	R.....	
.....	R.....	
.....	R.....	

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

.....	R.....	 days
.....	R.....	 days
.....	R.....	 days
.....	R.....	 days

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

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....			R.....
.....			R.....
.....			R.....
.....			R.....

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

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

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....			R.....
.....			R.....
.....			R.....
.....			R.....
TOTAL: R.....			

6. Period required for commencement with project after acceptance of bid
7. Estimated man-days for completion of project
8. Are the rates quoted firm for the full period of contract? *YES/ NO.
9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.....

.....

.....

.....

*Delete if not applicable

SECTION D

THE CONTRACT

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 **TSWELOPELE LOCAL MUNICIPALITY (the Purchaser)** in accordance with the requirements and task directives / proposals specifications stipulated in Bid number: **SCM/TSW/03/2022-2023: Establishment of a Panel of Transaction Advisors for a period of three years** 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, *viz*
 - 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 2017;
 - 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 authorised to sign this contract.

NAME (PRINT).....

CAPACITY

SIGNATURE

NAME OF FIRM.....

DATE

WITNESSES

1.

2.

DATE:

GENERAL CONDITIONS OF CONTRACT

A. TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packaging
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Increase/Decrease of Quantities
19. Contract amendments
20. Assignment
21. Subcontracts
22. Delays in the provider's performance
23. Penalties
24. Termination for defaults
25. Dumping and countervailing duties
26. Force Majeure
27. Termination for insolvency
28. Settlement of disputes
29. Limitation of liability
30. Governing language
31. Applicable law
32. Notices
33. Taxes and duties
34. Transfer of contracts
35. Amendment of contracts

GENERAL CONDITIONS OF CONTRACT

1. Definitions

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 provider, 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 provider 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 any thing of the value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 **"Countervailing duties"** are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 **"Country of origin"** means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 **"Day"** means calendar day.
- 1.8 **"Delivery"** means delivery in compliance of the conditions of the contract or order.
- 1.9 **"Delivery ex stock"** means immediate delivery directly from stock actually on hand.
- 1.10 **"Delivery into consignees store or to his site"** means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the provider bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- 1.11 **"Dumping"** occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 **"Force majeure"** means an event beyond the control of the provider and not involving the provider's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

- 1.13 **"Fraudulent practice"** means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 **"GCC"** means the General Conditions of Contract.
- 1.15 **"Goods"** means all of the equipment, machinery, and/or other materials that the provider 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 provider or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as land 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 the Special Conditions of Contract.
- 1.24 **"Services"** means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the provider covered under the contract.
- 1.25 **"Written"** or **"in writing"** means hand-written in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or

acquiring of rights, but excluding immovable property, unless otherwise 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 Invitations to bid are usually published in locally distributed news media and in the institution's website.

4. Standards

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

5. Use of contract documents and information; inspection

5.1 The provider shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the provider 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 provider shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

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

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

6. Patent rights

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

- 6.2 When a provider developed documentation/projects for the municipality or municipal entity, the intellectual, copy and patent rights or ownership or such documents or projects will vest in the municipality or municipal entity.

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the success 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 provider's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque.
- 7.4 The performance security will be discharged by the purchaser and returned to the provider not later than thirty (30) days following the date of completion of the provider's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that 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 purchaser or an organization acting on behalf of the purchaser.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clause 8.2 & 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 provider.

- 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 analysed 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 provider who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do not comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the providers cost and risk. Should the provider fail to provide the substitute supplies forthwith, the purchaser may, without giving the provider further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the provider.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packaging

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The provider may be required to provide any or all of the following services, including additional services, if any:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the provider of any warranty obligations under this contract; and
 - (e) training of the purchaser's personnel, at the provider'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 provider 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 provider for similar services.

14. Spare parts

- 14.1 As specified, the provider may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the provider:
- (a) such spare parts as the purchaser may elect to purchase from the provider, provided that this election shall not relieve the provider of any warranty obligations under the contract, and
 - (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

- 15.1 The provider 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 provider further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the provider, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.
- 15.3 The purchaser shall promptly notify the provider in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the provider shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the provider, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the provider's risk and expense and without prejudice to any other rights which the purchaser may have against the provider under the contract.

16. Payment

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

17. Prices

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

18. Increase/decrease of quantities

- 18.1 In cases where the estimated value of the envisaged changes in purchase does not exceed 15% of the total value of the original contract, the contractor may be instructed to deliver the revised quantities. The contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. Contract amendments

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

20. Assignment

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

21. Subcontracts

- 21.1 The provider 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 provider from any liability or obligation under the contract.

22. Delays in the provider's performance

- 22.1 Delivery of the goods and performance of services shall be made by the provider in accordance with the time schedule prescribed by the purchaser in the contract.
- 22.2 If at any time during performance of the contract, the provider or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the provider 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 provider's notice, the purchaser shall evaluate the situation and may at his discretion extend the provider'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.
- 22.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if any emergency arises, the provider's point of supply is not situated at or near the place where the supplies are required, or the provider's services are not readily available.
- 22.4 Except as provided under GCC Clause 25, a delay by the provider in the performance of its delivery obligations shall render the provider 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.
- 22.5 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 provider's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the provider.

23. Penalties

- 23.1 Subject to GCC Clause 25, if the provider 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 good 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.

24. Termination For Default

- 24.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the provider, may terminate this contract in whole or in part:
- (a) if the provider 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 provider fails to perform any other obligation(s) under the contract; or
 - (c) if the provider, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 24.2 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 provider shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the provider shall continue performance of the contract to the extent not terminated.

25. Anti-Dumping And Counter-Vailing Duties And Rights

- 25.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the provider to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the provider 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.

26. Force Majeure

- 26.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the provider 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.
- 26.2 If a force majeure situation arises, the provider shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the provider 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.

27. Termination For Insolvency

- 27.1 The purchaser may at any time terminate the contract by giving written notice to the provider if the provider becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the provider, 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,

28. Settlement Of Disputes

- 28.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the provider 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.
- 28.2 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 provider may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 28.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 28.4 Notwithstanding any reference to mediation and / or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the provider any monies due to the provider for goods delivered and / or services rendered according to the prescripts of the contract.

29. Limitation Of Liability

- 29.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the provider 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 provider to pay penalties and / or damages to the purchaser; and
 - (b) the aggregate liability of the provider 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.

30. Governing Language

- 30.1 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.

31. Applicable Law

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

32. Notices

- 32.1 Every written acceptance of a bid shall be posted to the provider 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.
- 32.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

33. Taxes And Duties

- 33.1 A foreign provider shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 33.2 A local provider shall be entirely responsible for all taxes, duties, license fees, etc, incurred until delivery of the contracted goods to the purchaser.
- 33.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

34. Transfer Of Contracts

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

35. Amendment Of Contracts

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

SPECIAL CONDITIONS OF CONTRACT

Electronic version of the information should be supplied to the municipality.