

LEKWA LOCAL MUNICIPALITY



BID NUMBER:	SC 01/2021/24.								
DESCRIPTION:	APPOINTMENT OF A SERVICE PROVIDER TO RENDER SECURITY SERVICES AT ACCESS POINTS AND PATROL PREMISES OF LEKWA LOCAL MUNICIPALITY FOR A PERIOD OF 36 MONTHS								
PUBLISH DATE:									
VALIDITY PERIOD:	90 days from the closing date								
BRIEFING DATE:	26 August 2021								
BRIEFING TIME:	10h00 am								
CLOSING DATE:	10 September 2021								
CLOSING TIME:	12:00 PM								
BID RESPONSES MUST BE HAND DELIVERED / COURIERED TO:	<table border="1"> <tr><td>LEKWA LOCAL MUNICIPALITY</td></tr> <tr><td>The Municipal Manager</td></tr> <tr><td>PO BOX X66</td></tr> <tr><td>Standerton</td></tr> <tr><td>2430</td></tr> <tr><td>Contact Person:</td></tr> <tr><td>Tel:</td></tr> <tr><td></td></tr> </table>	LEKWA LOCAL MUNICIPALITY	The Municipal Manager	PO BOX X66	Standerton	2430	Contact Person:	Tel:	
LEKWA LOCAL MUNICIPALITY									
The Municipal Manager									
PO BOX X66									
Standerton									
2430									
Contact Person:									
Tel:									
ATTENTION:									
NB: Bidders must ensure that they sign the register at the reception when delivering their bids									

BIDDER NAME:
CSD NUMBER:

Bidders should ensure that bids are delivered in time to the correct address. If the bid is late, it shall not be accepted for consideration. The Municipality is generally accessible 8 hours a day (07h30 to 16h15); 5 days a week (Monday to Friday). Bidders must advise their couriers of the instruction above to avoid misplacement of bid responses.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – **(NOT TO BE RE-TYPED)**

THIS BID IS SUBJECT TO THE GENERAL CONDITIONS OF THE BID, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

THE FOLLOWING PARTICULARS MUST BE FURNISHED (FAILURE TO DO SO SHALL RESULT IN YOUR BID BEING DISQUALIFIED)

BIDDING STRUCTURE

Indicate the type of Bidding structure by marking with an 'X':	
Individual bidder	
Joint venture	
Consortium	
Using Subcontractors	
Other	

If individual bidder, indicate the following:	
Name of bidder	
Registration number	
VAT registration number	
Contact person	
Telephone number	
Fax number	
E-mail address	
Postal address	
Physical address	

If Joint Venture or Consortium, indicate the following:	
Name of prime contractor	
Registration number	
VAT registration number	

Contact person	
Telephone number	
Fax number	
E-mail address	
Postal address	
Physical address	

If Joint Venture or Consortium, indicate the following: <i>(To be completed for each JV/ Consortium member)</i>	
Name of Joint Venture/ Consortium member	
Registration number	
VAT registration number	
Contact person	
Telephone number	
Fax number	
E-mail address	
Postal address	
Physical address	

If using subcontractors, indicate the following:	
Name of prime contractor	
Registration number	
VAT registration number	
Contact person	
Telephone number	
Fax number	
E-mail address	
Postal address	
Physical address	

If using subcontractors, indicate the following: (<i>To be completed for each subcontractor</i>)	
Name of subcontractor	
Registration number	
VAT registration number	
Contact person	
Telephone number	
Fax number	
E-mail address	
Postal address	
Physical address	

Checklist of documents to be submitted:

Please tick in the relevant block below

YES	NO	
☐	☐	One original tender document
☐	☐	Original and valid Tax Clearance certificate or SARS PIN
☐	☐	Audited Past three years Annual financial statements with signed audit report in case of a company.
☐	☐	Past three year Annual financial statements prepared by an independent accountant in case of a CC.
☐	☐	Original Certified copies (Copy with original stamp) of your CIPRO company registration documents listing all members with percentages, in case of a CC.
☐	☐	Latest Original Certified copies of all share certificates (i.e. copy with original stamp), in case of a company.
☐	☐	Shareholding breakdown per race, gender and percentage shareholding with shareholders of the bidding company who are not individuals.
☐	☐	Declaration of interest
☐	☐	List of references of past and present clients (Company name, department, branch, contact person with office telephone number)
☐	☐	BEE rating certificate issued by a SANAS Accredited BEE verification agency or certified Affidavit
☐	☐	Letter of Authority to sign on company letterhead
☐	☐	Municipal Water and lights account (not older than 60 days and not in arrears) or Lease agreement in the name of the company with letter from holding company indicating that all services are paid

Please ensure that the following documents are completed:

YES **NO**

☐☐

Completed Bid Conditions

☐☐

Completed Economic Empowerment

☐☐

Completed Due Diligence

☐☐

Completed Price Schedule with detailed breakdown

Kindly take note that:

1. **Should all of these documents not be included, the bidder may be disqualified on the basis of non-compliance.**
2. **The same documents must be submitted for all other companies that are involved in the tender in case of a consortium.**

Signed

Name in Print

Capacity

Date

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1. CONDITIONS AND UNDERTAKINGS BY BIDDER BID

- 1.1 **The Bid forms should not be retyped.** However, only documents with the original signature in black ink shall be accepted. Additional offers against any item should be made on a photocopy of the page in question.
- 1.1.1 Black ink should be used when completing Bid documents.
- 1.1.2 Bidders should check the numbers of the pages to satisfy themselves that none is missing or duplicated. Lekwa Local Municipality will accept NO liability in regard to anything arising from the fact that pages are missing or duplicated.
- 1.2 I/We hereby Bid to supply all or any of the supplies and/or to procure all or any of the services described in the attached documents to Lekwa Local Municipality on the terms and conditions and in accordance with the specifications stipulated in the Bid documents (and which shall be taken as part of, and incorporated into, this Bid) at the prices inserted therein.
- 1.3 I/We agree that -
- 1.3.1 the offer herein shall remain binding upon me/us and open for acceptance by Lekwa Local Municipality during the validity period indicated and calculated from the closing hour and date of the Bid;
- 1.3.2 the laws of the Republic of South Africa shall govern the contract created by the acceptance of my/our Bid and that I/we choose domicilium citandi et executandi in the Republic as indicated below; and
- 1.4 **NB: BIDDERS TERMS AND CONDITIONS ARE NOT ACCEPTABLE.**
- 1.5 I/We furthermore confirm that I/we have satisfied myself/ourselves as to the correctness and validity of my/our Bid that the price(s) and rate(s) quoted cover all the work/item(s) specified in the Bid documents and that the price(s) and rate(s) cover all my/our obligations under a resulting contract and that I/we accept that any mistakes regarding price(s) and calculations will be at my/our risk.
- 1.6 I/We hereby accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on me/us under this Bid as the Principal(s) liable for the due fulfillment of this contract.

Signature(s) of Bidder or assignee(s)

Date

Name of signing person (in block letters)

Capacity

Are you duly authorized to sign this bid?

Name of Bidder [company name] (in block letters)

Postal address (in block letters)

Domicilium citandi et executandi in the RSA (full street address of this place) (in block letters)

.....

.....

.....

.....

Telephone Number: FAX Number.....

Cell Number.....

BID CONDITIONS

2.1 Bidders shall provide full and accurate answers to all (including mandatory) questions posed in this document, and, are required to explicitly state either "Comply" or "Not Comply" or "Partial" (with a ✓) regarding compliance with the requirements. Where necessary, the bidder shall substantiate their response to a specific question.

2.2 A "✓" under "Comply" will be interpreted as full compliance/acceptance to the applicable paragraph. A "✓" under "Comply" will be interpreted that the Bidder/s has/have read and understood the paragraph, but the bidder does **not accept** the content of the applicable paragraph. A "✓" under "Partial" will be interpreted and evaluated objectively against explanations and supporting documentation accordingly.

NOTE: If PARTIAL is indicated as the level of compliance and NO supporting documentation is provided that clearly clarifies the Bidder/s position, the paragraph will be evaluated as "None-Compliant".

It is mandatory for the bidders to comply with the following bid conditions.

2.3 The following bid conditions will govern the contract between Lekwa Local Municipality and the successful bidder:

Requirement	ACCEPT	NOT ACCEPT
2.3.1 Bidders are invited to offer the Services in accordance with the attached Specifications and the conditions within this document.		
2.3.2 The successful Bidder/s will be contracted to procure the Services for a period to be agreed after which LEKWA LM reserves the right to review and extend the contract for further period/s at the LEKWA LM's discretion.		
2.3.3 The fees will be negotiated.		
Interpretation of requirements	ACCEPT	NOT ACCEPT
2.3.4 The Bidder/s shall accept LEKWA LM's interpretation of any specific requirement in the Bid documents or Specifications should there be a difference of interpretation between the Bidder/s and LEKWA LM.		
2.3.5 Should any dispute arise as a result of this Bid and/or the subsequent contract, which cannot be settled to the mutual satisfaction of the Bidder/s and LEKWA LM, it shall be dealt with in terms of the General Conditions of Contract of this document.		
2.3.6 Should there be any discrepancies between the Bid conditions and any other documentation that forms part of this tender, the Bid conditions shall take preference.		
Documentation	ACCEPT	NOT ACCEPT
2.3.7 Fully comprehensive service documentation shall be supplied in English by each Bidder, which shall explicitly and detail, describe the service/s offered. This documentation shall include sufficient detail to clearly give the reader a		

precise and unambiguous description of the service/s offered. Incomplete or incomprehensive service documentation will result in rejection of the offer.		
2.3.8 Bidder's name and address should clearly appear on the outside of tender documents and on envelope.		
Selection	ACCEPT	NOT ACCEPT
2.3.9 LEKWA LM reserves the right to evaluate and consider any Bids that do not comply strictly to this tender.		
2.3.10 Acceptance of any Bids will only indicate, without any obligations on the part of either LEKWA LM and/or a Bidder, the willingness of such parties to enter into negotiations, which may or may not result in a contract/order as the case may be.		
2.3.11 LEKWA LM reserves the right to make a selection solely on the information received in the Bids or to negotiate further with one or more Bidder/s.		
2.3.12 The Bidder/s selected for further negotiations, if any, will be chosen on the basis of the greatest benefit to LEKWA LM and not necessarily on the basis of lowest price or any other criteria.		
2.3.13 Should LEKWA LM consider it necessary, the Bidder/s shall agree to an inspection of the resources and works of the Bidder, if so requires.		
2.3.14 Should LEKWA LM consider it necessary, LEKWA LM will visit the Bidder/s customer sites.		
2.3.15 LEKWA LM reserves the right:		
2.3.15.1 to cancel this tender at any time;		
2.3.15.2 not to accept any Bids;		
2.3.15.3 to accept one or more Bids for further negotiation and;		
2.3.15.4 to contact any Bidder during the evaluation period, to clarify information only, without informing any other Bidder.		
Copyright	ACCEPT	NOT ACCEPT
2.3.16 The specifications are the intellectual property of Lekwa Local Municipality.		
2.3.17 The contents of any specifications are the property of LEKWA LM and are confidential. It shall not in any manner be reproduced, destroyed, lent or given away without the permission.		
Precedence	ACCEPT	NOT ACCEPT
2.3.18 All details, dimensions and instructions shown on any drawings, diagrams and specifications quoted, shall form part of this bid document.		

2.3.19 If there is any contradictory requirements between the specifications, the drawings referred to and other specifications that have been quoted, the order of precedence, from highest to lowest is: • Statutory and mandatory requirements, • This bid document, • Contract Conditions.		
Alternative suppliers	ACCEPT	NOT ACCEPT
2.3.20 The Bidder accepts that the LEKWA LM will have the right to contract with any other Service Provider for provision of services not covered by this specification.		
2.3.21 Bidder must also submit: A written statement to the specification of LEKWA LM by the bidder, that none of his personnel have any involvement or interest in the bidder's business.		
Submission of Bid	ACCEPT	NOT ACCEPT
2.3.22 LEKWA LM will also reject an offer if the Bidder/s fail to complete the compliance section/s in the format as described in paragraphs 2.1.and 2.1.		
Service approval	ACCEPT	NOT ACCEPT
2.3.23 The Procuring of the Services shall not take place until LEKWA LM has given final approval of all procedures.		
Additional Criteria	ACCEPT	NOT ACCEPT
2.3.24 LEKWA LM will evaluate the bids against the following criteria: • Compliance to the Specifications/ Functionality • Price • BEE • Compliance to Bid Condition		
Black Economic Empowerment	ACCEPT	NOT ACCEPT
2.3.25 LEKWA LM has established a programme of economic empowerment in our procurement strategies. In this regard, companies are required to indicate their involvement, current and planned, with black businesses and professionals. This will for an important part of the evaluation criteria to be used. LEKWA LM reserves the right to request all relevant information, agreements and other documents to verify information supplied in response hereto.		
Addenda	ACCEPT	NOT ACCEPT
2.3.26 In the event that modifications, clarifications or additions to the TENDER become necessary, all Bidders will be notified, in writing, addenda to this TENDER.		
Preparation Costs	ACCEPT	NOT ACCEPT
2.3.27 All costs incurred in the preparation, presentation and demonstration of the response shall be for the account of the bidder. All supporting documentation and manuals		

submitted with TENDER will become LEKWA LM property unless otherwise stated by the Bidder/s at the time of submission.		
Confidential Material	ACCEPT	NOT ACCEPT
2.3.28 Any material submitted by the Bidder/s, which is considered to be confidential in nature, must be clearly marked as such.		
Payment Terms – Local Creditors	ACCEPT	NOT ACCEPT
2.3.29 Payments of invoices will be effected on by last day of the calendar month following the calendar month of receipt of a correct and original invoice. Invoices/statements should be submitted <u>after</u> LEKWA LM has acknowledged receipt of the services procured or goods supplied. A correct and original monthly statement reflected the above invoices must be submitted to LEKWA LM by the 5 th of each month.		

Please note that the following clauses of LEKWA LM's conditions and Procedures governing the Procurement of Services.

2.4 CONTRACT TERMINATION

- 2.4.1 A contract/s with a successful Bidder/s may be terminated by the LEKWA LM on the grounds of valid commercial or operational requirements that were not foreseen at the time of the Request for Bid being submitted and the contract being entered into. The LEKWA LM, if it wishes to terminate the contract, shall be required to give 30 (thirty) days written notice of its intention to terminate the contract. Such notice must be preceded by bona fide discussion between the LEKWA LM and the successful Bidder. In this instance the LEKWA LM shall only remain liable for all amounts due to the successful Bidder with respect to the period ending on the date of the cancellation, and shall not be held liable for any damages or losses on the basis of such a termination of the contract.

2.5 DISPUTE RESOLUTION

- 2.5.1 All disputes arising out of this TENDER or relating to the legal validity of this TENDER or any part thereof shall be resolved under this paragraph. The parties must refer any dispute to be resolved by:
- o Negotiation, in terms of paragraph 2.5.3; failing which
 - o Mediation, in terms of paragraph 2.5.4; failing which
 - o Arbitration, in terms of paragraph 2.5.6.
- 2.5.2 Paragraph Clause 2.5.1 shall not preclude any party from access to an appropriate court of law for interim relief in respect of urgent matters by way of an interdict, or mandamus pending finalisation of the dispute resolution process contemplated in paragraph 2.5.1, for which purpose the parties irrevocably submit to the jurisdiction of a division of the High Court of the Republic of South Africa.
- 2.5.3 Within ten (10) days of notification, the parties must seek an amicable resolution to the dispute by referring the dispute to designated and authorized representatives of each of the parties to negotiate and resolve the dispute. If an amicable resolution to the dispute is found the authorized representatives of the parties must sign, within the ten (10) day period, an agreement confirming that the dispute has been resolved.

- 2.5.4 If negotiation in terms of paragraph 2.5.3 fails, the parties must, within fifteen (15) days of the negotiations failing, refer the dispute for resolution by mediation under the rules of the Arbitration Foundation of Southern Africa (or its successor or body nominated in writing by it in its stead).
- 2.5.5 The periods for negotiation (specified in paragraph 2.5.3) or for referral of the dispute for mediation (specified in paragraph 2.5.4), may be shortened or lengthened by written agreement between the parties.
- 2.5.6 In the event of the mediation contemplated in paragraph 2.5.4 failing the parties shall refer the dispute, within fifteen (15) days of the mediation failing, for resolution by expedited arbitration under the current rules of the Arbitration Foundation of Southern Africa (or its successor or body nominated in writing by it in its stead).
- 2.5.7 A single arbitrator shall be appointed by agreement between the parties within ten (10) days of the dispute being referred for arbitration, failing which the arbitrator shall be appointed by the Secretariat of the Arbitration Foundation of Southern Africa (or its successor or body nominated in writing by it in its stead).
- 2.5.8 At all times, every reasonable effort shall be made to ensure that such arbitrator has the necessary technical skills to enable him to adjudicate the dispute in a satisfactory manner.
- 2.5.9 The arbitration shall be held at Sandton, South Africa, in English.
- 2.5.10 The South African law shall apply.
- 2.5.11 The parties shall be entitled to legal representation.
- 2.5.12 The award of the arbitrator shall be final and binding on the parties, who hereby agree to give effect to the award. Either party shall be entitled to have the arbitrator's award made an order of court at the cost of the party requesting same.
- 2.5.13 This paragraph shall constitute the irrevocable consent of the parties to the dispute resolution proceeding in terms hereof and neither of the parties shall be entitled to withdraw there from or to claim at any arbitration proceedings that they are not bound by the arbitration provisions of this TENDER.
- 2.5.14 Both parties shall comply with all the provisions of the TENDER and with all due diligence during the determination of such dispute should the latter arise during the course of the TENDER.

2.6 PAYMENT TERMS - LOCAL CREDITORS

- 2.6.1 Original, detailed, correct and complete tax invoices, monthly statements (where applicable), VAT registration numbers (where applicable), verification of bank details (in the format required) and any other relevant supporting documents must be submitted to the after it has acknowledged receipt in writing of the services procured or goods received, to its satisfaction.
- 2.6.2 Tax invoices and all necessary supporting documents contemplated in 9.1 above must be submitted to the Fund by the 1st (first) business day of a calendar month in order for payment to be effected by the end of the same calendar month. Otherwise, payment shall be affected by the end of the following calendar month. Payments shall furthermore only be made on condition that the required documentation submitted are the originals, correct and complete.
- 2.6.3 No penalty interest shall be permitted to be charged in the event of the requirements referred to in 9.1 and 9.2 above not being complied with.

- 2.6.4 Payment shall be effected by electronic bank transfer or any other method of payment decided to be used by the Fund from time to time and at the Fund's sole discretion.
- 2.6.5 Payment shall furthermore be subject to the Fund's standard Special Terms and Conditions of Contract, which if applicable shall prevail over this clause in all instances; and a copy whereof shall be furnished upon request.

2.7 TERMINATION

- 2.7.1 The following clause will be applicable to all contracts entered into/orders placed by LEKWA LM:

If, at any time during the currency of this Bid and subsequent contract/order, LEKWA LM in its reasonable discretion determines that the other party has, in respect of this bid, contract/order or any other contract/order or agreement to which they were or are parties to:

- Acted dishonestly and/or in bad faith, and/or
- Has made any intentional or negligent misrepresentation to LEKWA LM whether in any negotiations preceding the conclusion of, or in the execution of this TENDER or any other agreement between the parties,

Then LEKWA LM shall be entitled by written notice to the other party forthwith to cancel this contract/order. Upon such cancellation, LEKWA LM shall be entitled, in addition to all other remedies available to it, to recover from the other party all damages it has suffered by virtue of such conduct by the other party. Should, at the time of such cancellation, AF be indebted to the other party for any amounts whatsoever, LEKWA LM shall be entitled to withhold payment in respect thereof for a period of 90 (ninety) days from the date of cancellation in order to investigate the party's conduct and any damages suffered by LEKWA LM. NO payment by LEKWA LM to the other party after the lapse of such period shall preclude LEKWA LM thereafter, from recovering from the other party any such damages as it may have suffered.

2.8 SPECIFIC INFORMATION REQUIRED

For ease of reference and evaluating purposes, please furnish replies under the same headings and refer individually to all specific paragraph numbers. Please be clear in your response and use definite answers.

2.9 COPIES REQUIRED

It is a condition that the Bidder/s shall furnish an offer comprising of **one original** for the supply of products and services enumerated in this Request for Bid Document. The Bidder/s shall ensure that all the relevant information and documentation is submitted with the original. LEKWA LM shall not be liable should it become evident that a Bidder/s offer/s is/are not accepted and the reason for such non-acceptance is as a result of the Bidder/s failure to include the information in the original document.

2.10 DUE DILIGENCE

Bidder/s must supply Financial Information as requested in par 2.11.10 and Annexure C.

2.11 GENERAL VENDOR INFORMATION

The following general information is required from the prospective vendor:

2.11.1 **NAME OF COMPANY/TRADING AS:**

- Postal Address
- Street Address
- Telephone and facsimile numbers

2.11.2 **COMPANY HEAD OFFICE:**

- Postal Address
- Street Address
- Telephone and facsimile numbers

2.11.3 Contact person

2.11.4 List of Directors/Partners/affiliated companies with proof of shareholding with this companies/trust - Compulsory

2.11.5 List of shareholders (**Certified** original copies of individual share certificates/**certified** original copies of Cipro registration document indicating members with percentage interest) – **Compulsory**.

2.11.6 Date of registration – **Compulsory** – [if applicable]

2.11.7 Company registration number. – **Compulsory** [if applicable]

2.11.8 Draw or attach the organizational structure of your company:

- a) Ownership structure, i.e. the % shareholding by major investors and controlling interest in affiliated companies.
- b) Basic functional structure, i.e. the administrative section of your company with which LEKWA LM will be dealing on a day-to-day basis.

2.11.9 **Original** Valid Tax Clearance Certificate. - **Compulsory**

2.11.10 **Audited** Financial Statements with auditor's report of the company for the past three years. / Financial Statements of a CC for the past three years prepared by an independent accountant with proof. – **Compulsory**

2.12 INFRASTRUCTURE

- a) Would you describe your business as international, national or regional?
- b) List all branches and offices of your company countrywide (Republic of South Africa) together with telephone numbers.

2.13 ACTIVITY AND SERVICE PROFILE

2.13.1 Detailed description of main field of expertise/area of operation of company.

2.13.2 Range of services offered.

2.13.3 Reference list of some contracts completed during the last 3 to 5 years, including value, duration, location and contact persons

2.13.4 List of current contracts and value thereof. Submit a list of current contracts, contact person and contract numbers.

Has any contract with your company ever been cancelled by a client? If YES, provide details.

2.14 TRAINING CAPABILITIES

- 2.14.1 Does your company have any in-house training capabilities? (Infrastructure)
- 2.14.2 If YES, provide an overview of:
- Activities included in this process (in-house training).
 - Method used for evaluating the effectiveness of the in-house training capabilities to ensure the required level of service is maintained.
- 2.14.3 What training is done by the company?
- 2.14.4 What type of training is done for you by other companies and who are these companies? (Provide details please)
- 2.14.5 What type of continuing/supplementary training is done by the company? Give details of subjects, schedules, etc.
- 2.14.6 Do you have staff in your training department employed on a contract basis? If YES, give details.

2.15 MANAGEMENT AND SERVICING

- 2.15.1 Please supply a full description of how the company is organized together with an organization organogram.
- 2.15.2 Please indicate a breakdown of staff compliment into management/ supervisors/ administration/ guards/ other services (specify).
- 2.15.3 Please provide details of qualifications and selection process with regards to management/supervisory expertise in the company.
- 2.15.3.1 Are all these personnel employed on a full-time basis? If not, provide details.

2.16 ELECTRONIC DATA INTERCHANGE

Respond to the following questions in respect of Electronic Data Interchange (EDI). Please tick the relevant box.

- a) Do you have access to Internet?

Yes	No

- b) Are you interested in Electronic Data Interchange (EDI) between yourselves and LEKWA LM?

Yes	No

2.17 REASONS FOR DISQUALIFICATION

- 2.17.1 The LEKWA LM reserves the right to disqualify any bidder which does any one or more of the following, and such disqualification may take place without prior notice to the offending bidder, however the bidder shall be notified in writing of such disqualification:

- 2.17.1.2 bidders who do not submit a valid and original Tax Clearance Certificate on the closing date and time of the bid;
- 2.17.1.3 bidders who submitted incomplete information and documentation according to the requirements of this TENDER;
- 2.17.1.4 bidders who submitted information that is fraudulent, factually untrue or inaccurate, for example memberships that do not exist, BEE credentials, experience, etc.;
- 2.17.1.5 bidders who received information not available to other vendors through fraudulent means; and/or
- 2.17.1.6 bidders who do not comply with ***mandatory requirements*** as stipulated in this RFP.
- 2.17.2 There shall be **no public opening** of the Bids received; however, the list of bids received may be published on the LEKWA LM website. There shall be no discussions with any enterprise until evaluation of the proposal has been complete. Any subsequent discussions shall be at the discretion of the LEKWA LM. Unless specifically provided for in the proposal document, bids submitted by means of telegram, telex, facsimile or similar means shall not be considered.
- 2.17.3 No Bids from any bidder with offices within the RSA shall be accepted if sent via the Internet or e-mail.
- 2.17.3.1 Such Bids shall not be made available for evaluation until the original signed documentation is received within three (3) working days after the closing date, otherwise the proposal shall be disqualified. International bidders must submit proof that they do not have any offices or representation in South Africa.

2.18 ENQUIRIES

- 2.18.1 Enquiries regarding this Request for Bid should be submitted via e-mail to:

Bid enquiries:

Head of Security	Madoda Gama 017 712 9627 MGama@lekwalm.gov.za
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Enquiries should reference specific paragraph numbers, where appropriate.

3 GENERAL CONDITIONS OF CONTRACTS

3.1 Definitions

The following terms shall be interpreted as indicated:

- 3.1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
- 3.1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 3.1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of this contractual obligation.
- 3.1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 3.1.5 “Countervailing duties” are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 3.1.6 “Country of origin” means the place where 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 basis characteristics or in purpose or utility from its components.
- 3.1.7 “Day” means calendar day.
- 3.1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
- 3.1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
- 3.1.10 “Delivery into consignee's store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- 3.1.11 “Dumping” occurs when a private enterprise abroad markets its good 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.
- 3.1.12 “Force majeure” means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or resolutions, fires floods, epidemics, quarantine restrictions and freight embargoes.
- 3.1.13 “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.
- 3.1.14 “GCC” means the General Conditions of Contract.
- 3.1.15 “Good” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

- 3.1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 3.1.17 “Local content” means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 3.1.18 “Manufacture” means the production of products in a factory using labour, materials components and machinery and includes other related value-adding activities.
- 3.1.19 “Order” means an official written order issued for the supply of goods or works or the procuring of a service.
- 3.1.20 “Project site” where applicable, means the place indicated in bidding documents.
- 3.1.21 “Purchaser” means the organization purchasing the goods.
- 3.1.22 “Republic” means the Republic of South Africa.
- 3.1.23 “SCC” means the Special Conditions of Contract.
- 3.1.24 “Services” means those functional services ancillaries to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 3.1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

3.2 Application

- 3.2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 3.2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 3.2.3 Where such special conditions of contract are in conflict with these general conditions, the special shall apply.

3.3 General

- 3.3.1 Unless otherwise indicated in the bidding documents, the purchase 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.
- 3.3.2 With certain exceptions, invitations for bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za.

3.4 Standards

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

3.5 Use of contracts documents and information

- 3.5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 3.5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 3.5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 3.5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

3.6 Patent rights

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

3.7 Performance Security

- 3.7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in GCC.
- 3.7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contracts.
- 3.7.3 The performance security shall be denominated in the currency of the contract, or in freely convertible currency acceptable to the purchaser and shall be in one of the following:
- (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
- 3.7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

3.8 Inspections, tests and analyses

- 3.8.1 All pre-bidding testing will be for the account of the bidder.

- 3.8.2 If it is a bid condition that supplies to be produced or services to be procured should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 3.8.3 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 payments arrangements with the testing authority concerned.
- 3.8.4 If the inspection, test and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 3.8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 3.8.6 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.
- 3.8.7 Any contract supplies may, on or after delivery, be inspected; tested or analyzed and may be rejected if found no to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchase may without giving the supplier further opportunity to substitute the rejected supplies purchase such supplies as may be necessary at the expense of the supplier.
- 3.8.8 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.

3.9 Packing

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

3.10 Delivery and documents

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

3.11 Insurance

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

3.12 Transportation

- 3.12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

3.13 Incidental services

- 3.13.1 The supplier may be required to provide any or all of the following services, including additional services, if any specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
 - (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 3.13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

3.14 Spare parts

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

3.15 Warranty

- 3.15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any

act or mission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

- 3.15.2 This warranty shall remain valid 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 in SCC.
- 3.15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 3.15.4 Upon receipt of such notice, the supplier shall, with the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to be purchaser.
- 3.15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

3.16 Payment

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

3.17 Prices

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

3.18 Contract Amendments

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

3.19 Assignment

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

3.20 Subcontracts

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

3.21 Delays in the supplier's performance

- 3.21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 3.21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 3.21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or local authority.
- 3.21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 3.21.5 Except as provided under GCC clause 3.25, a delay by the supplier in the performance of its delivery obligations shall procure the supplier liable to the imposition of penalties, pursuant to GCC clause 3.22, unless an extension of time is agreed upon pursuant to GCC clause 3.21.2 without the application of penalties.
- 3.21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

3.22 Penalties

- 3.22.1 Subject to GCC clause 3.25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC clause 3.23.

3.23 Termination for default

- 3.23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC clause 3.21.2;
 - (b) if the supplier fails to perform any other obligation(s) under the contract; or if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

3.24 Anti-dumping and countervailing duties and rights

3.24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favorable difference shall on demand be paid forthwith by the contractor to the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or procured, or is to deliver or procure in terms of the contract or any other contract or any other amount which may be due to him.

3.25 Force Majeure

3.25.1 Notwithstanding the provisions of GCC clauses 3.22 and 3.23, the supplier shall not be liable for forfeiture or 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.

3.25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

3.26 Termination for insolvency

3.26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

3.27 Settlement of Disputes

3.27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

3.27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by much mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

3.27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

- 3.27.4 Mediation proceedings shall be conducted in accordance with the rules or procedure specified in the SCC.
- 3.27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

3.28 Limitation of liability

- 3.28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to clause 3.6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss or use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

3.29 Governing language

- 3.29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

3.30 Applicable law

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

3.31 Notices

- 3.31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.
- 3.31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice

3.32 Taxes and duties

- 3.32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 3.32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 3.32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

ANNEXURE A: SPECIFICATIONS

1. Background to the Project

The LEKWA LM requires the services of a security company to be rendered at fifty nine (59) different LEKWA LM offices for a period of 3 years. The service provider must be qualified, experienced and credible to provide security services. The service provider must be PSIRA accredited.

2. Scope of work

The security officers will be required to perform the following security duties:

4.1 Act as authorized officers in terms of the Control of Access to Public Premises and Vehicles Act 53 of 1985 as amended, which entail requesting a person who require entry into the premises to:

- 4.1.1** Furnish his/her name, address and any relevant information required by the authorized officer;
- 4.1.2** Produce proof of his/her identity to the satisfaction of the authorized officer;
- 4.1.3** Declare whether he/she has any dangerous object in his possession or custody or under his control;
- 4.1.4** Declare what the contents of any vehicle, suitcase, attaché' case, bag, handbag, folder, envelope, parcel or container of any nature which he has in his possession or custody or under his control, and show those contents to him;
- 4.1.5** Subject him/herself and anything which he/she has in his/her possession or custody or under his/her control to an examination by electronic or other apparatus in order to determine the presence of any dangerous object;
- 4.1.6** Hand to an authorized officer anything which he/she has in his possession or custody or under his/her control for examination or custody until he/she leaves the premises

4.2 Perform Access Control duties which entail:

- 4.2.1** Recording visitors' particulars in a Visitors Register and booking them out on departure. This should include the driver and all passengers in a vehicle, and pedestrians.
- 4.2.2** Recording details of all LEKWA LM staff members visiting the premises after normal working hours in After-hours register.
- 4.2.3** Recording all events/ incidents in the prescribed Occurrence Book
- 4.2.4** Advising the LEKWA LM security personnel of all access control implications, deficiencies, or imminent or perceived security crime risks occurring at the entrance

gate or its vicinity.

4.2.5 Ensuring that Lekwa LM congestion do not occur at the entrance gate during peak hours, by directing incoming visitors' vehicles into the first parking bays where access control can be completed, while making way for LEKWA LM staff members.

4.2.6 Perform other access control duties as may be instructed from time to time.

4.3 Patrol Duties:

4.3.1 Patrol duties shall entail patrolling the LEKWA LM premises regularly day and night

4.3.2 The Service Provider shall provide a patrol monitoring equipment (Guard track) which shall be used as a patrol tool for the security officer's after-hours.

4.3.3 Protect the LEKWA LM staff members against injuries, death or any other offence including Schedule 1 offence of the Criminal Procedure Act 51 of 1977, as amended.

4.3.4 Protect the property of LEKWA LM at the site against theft, vandalism or any other criminal activity.

4.3.5 Ensure that all strategic installations, vulnerable points or key areas are frequently checked to maintain their safety and security against intrusion for any unauthorized purpose.

4.3.6 Check for intruders, identify strangers and ascertain their right to be present in that particular area or building.

4.3.7 Check the perimeter fences and security lighting to ensure that both are fully operational.

4.3.8 Check and report on physical problems along perimeter fence such as long grass, trees overgrowing or overhanging on the fence, obstruction of illumination, materials stacked against or in the vicinity of the fence etc.

4.3.9 Check that all outer doors, windows and gates are secure each time the patrol passes. A physical examination of each point is required.

4.3.10 Check for actual or potential fire hazards and risks.

4.3.11 Check for potential safety hazards and report them.

4.4 Events Security

4.4.1 Assist LEKWA LM to coordinate and render event security as may be required from time to time.

4.5 On-site supervision and Reporting Protocol

4.5.1 The security officers provided and placed on site by the Service Provider shall be subject to day-to-day supervision by the LEKWA LM Security Services personnel. Such supervision shall include, but is not limited to:

- a) Giving instructions and orders

- b) Redeploying the security officers within the premises as may be necessary.
- c) Perusing security registers and any other relevant material used by the security officers.

4.6 Security Operations Procedures

4.6.1 In addition to these specifications, the security officers provided and placed on site shall be required to discharge their duties and responsibilities in accordance with the Security Operations Procedures compiled and produced by the Client in consultation with the awarded bidder.

NB: The bidder must note that this scope is basic, and can elaborate more in the proposal

5. Security Officers (Educational Level and Experience)

- a. The security officers must be registered in terms of the Private Security Industry Regulation Act 56 of 2001 and accredited by the Security Industry Regulatory Authority.
- b. The security officers must have a minimum of Grade 10-12 (Matric).
- c. Security officers must be able to read and write in English and two other official languages.
- d. Security officers must have a minimum of 1-2 years security services experience.

NB: The bidder can further propose /or enhance in terms of the education and level of experience.

6. Security Uniform and Identification

- a. The security officers will at all times while on duty be dressed in a neat, clean and clearly identifiable corporate (not combat) uniform, which will include rain coats/ jackets to suit weather conditions.
- b. A clear identification card of the service provider or issued by SIRA with the member's photo shall be worn conspicuously on his outer garment at all times.

NB: The bidder can further propose /or enhance in the proposal in terms of the uniform and identification.

7. General Requirements for Security personnel

- a. Security officers must always present an acceptable image and appearance which implies *inter alia* that they may not smoke, eat, drink or be under the influence of drugs, substances or alcohol while attending to clients.
- b. They must at all time present a professional and dedicated attitude/ approach, which shall

imply, inter alia that there shall be no unnecessary argument with visitors/ staff or discourteous behavior towards them.
c. They must be physically fit and mentally capable to execute their security duties.
d. Security officers must be 21 years and older in age.
e. The service provider or its security officers will under no circumstance divulge, furnish or disclose any sensitive information concerning the LEKWA LM or any other Stakeholders' activities to the public or news media.
f. The security officers will be properly trained to use equipment identified in the bid, including any replacements.
NB: The bidder can further propose /or enhance in the proposal in terms of the General Requirements for Security personnel.

8. Number of Security Personnel per site

Item	SITES	Grade	Dayshift	Nightshift	Firearm Yes or No	Total
1	Substation A	C	1	2	Yes	3
2	Substation B	C	1	2	Yes	3
3	Substation C	C	1	2	Yes	3
4	Sakhile receiving sub	C	1	1	Yes	2
5	CA sub	C	1	1	Yes	2
6	BA sub	C	1	1	Yes	2
7	BB sub	C	1	1	Yes	2
8	Showground sub	C	1	1	Yes	2
9	Standerton Water Treatment Works	C	2	2	Yes	4
10	Standerton Waste Water Treatment Works	C	3	3	Yes	6
11	Morgenzon Water Treatment Works	C	1	2	Yes	3
12	Moregnzon Waste Water Treatment Works	C	1	2	Yes	3
13	Concor reservoir	C	1	2	Yes	3
14	Kieser reservoir	C	1	1	Yes	2
15	Square reservoir and	C	1	1	Yes	2

	new 10ML reservoir					
16	Round Reservoirs	C	1	1	Yes	2
17	Vaal Sewer Pump station	C	1	2	Yes	3
18	Muller Sewer Pump station	C	1	2	Yes	3
19	Johan Sewer Pump station	C	1	2	Yes	3
20	Steyn Sewer Pump station	C	1	2	Yes	3
21	Taljaard Sewer Pump station	C	1	2	Yes	3
22	Rooikkoppen 1 Sewer Pump station	C	2	2	Yes	4
23	Rooikkopen 2 Sewer Pump station	C	2	2	Yes	4
24	Roikkopen 3 Sewer Pump station	C	2	2	Yes	4
25	Morgenzon 1 Sewer pump station	C	2	2	Yes	4
26	TLC Sewer Pump station	C	1	2	Yes	3
27	Main Administrative Offices	C A (Site Manager)	4 1	3		7 1
28	Mechanical Workshop	C	2	3		5
29	Electrical Workshop	C	2	2		4
30	Standerton Fire Station	C	1	1		2
31	Town Hall + Standerton Library	C	1	1		2
32	Volaskas Building	C	1	1		2
33	Showground	C	2	3		5
34	Azalea Hall	C	1	1		2
35	Stanwest Hall and Library	C	1	1		2
36	Ext-6 Hall	C	1	1		2
37	Thusong Centre	C	1	1		4
38	Sakhile Admin Offices	C	2	2		5
39	Sakhile Hall	C	1	1		2
40	Walter Kinnear Hall	C	1	1		2
41	Sakhile swimming Pool	C	1	1		2
42	Standerton Swimming pool	C	1	1		2
43	Sakhile Stadium	C	2	2		4
44	Parks Offices	C	1	1		2
51	Rooikopen Hall	C	1	1		2
45	Morgenzon Administrative Offices	C	2	2		4
46	Morgenzon Library	C	0	1		3
47	Sivukile Hall	C	1	1		2
48	Florah Park Swimming pool	C	1	1		2
49	Sakhile Library	C	1	1		2

9. Shifts

Day shift	06:00 to 18:00 (Monday to Sunday, weekends and Public Holidays included)
Night shift	18:00 to 06:00 (Monday to Sunday, weekends and Public Holidays included)

10. Inspections by Supervisors/ Management Staff

Supervisory/ managerial staff of the service provider must inspect the security officers at least once a day i.e. one inspection during dayshift or nightshift.
NB: The service provider is not limited to the above, please propose an inspection schedule.

11. Security Aids and Facilities

a) Occurrence Books b) Pocket Books (note books) c) Access Control Registers d) Have a fully-equipped 24/7 security control room for constant communication with security officers on site, i.e. reporting on duty, hourly/ two-hourly security status report, emergency situations, etc.
NB: The service provider is not limited to the above; please propose more aids and facilities if any.

12. Security Equipments

*_

Equipments and Services	Location
4 x Two-way radios + 1 Base radio	
24/7-Armed response	
24/7-Armed response	
Active guard with 1 Baton and 10 Points	
Active guard with 1 Baton and 10 Points	
4 x Two-way radios + 1 Base radio	

4 x Two-way radios + 1 base radio	
4 x Two-way radios + 1 base radio	
3 x Two-way radios + 1 base radio	
4 x Two-way radios + 1 base radio	
2 x Two-way radios + 1 Base radio	
4 x Hand held metal detectors	
12 x Portable operational Torch	
Expandable baton per guard	All locations identified
Hand cuffs	Propose to the LEKWA LM on how many handcuffs will be provided.
Additional Security equipments	
NB: Please indicate which equipment will not be charged, i.e. part of the package/ services on offer in annexure F.	

14. EVALUATION CRITERIA AND METHODOLOGY

14.1 The evaluation for **Price and BEE** shall be based on the 90/10 PPPFA principle and the points for evaluation criteria are as follows:

Evaluation Criteria		Points
1.	Price	90
2.	Black Economic Empowerment	10
3.	Total	100

14.2 Technical mandatory requirement

All Bidders who do not meet functional mandatory requirements will be disqualified and will not be considered for further evaluation on the functional requirements.

14.2.1: Mandatory

	Comply	Not Comply
The service provider must provide a valid Certificate of Good Standing from Compensation Commissioner. Please attach a valid certificate.		
Substantiate / Comments		

14.2.2: Mandatory

	Comply	Not Comply
The service provider must provide valid accreditation certificate from PSIRA Certificate of Good Standing from Compensation Commissioner. Please attach valid accreditation.		
Substantiate / Comments		

14.2.3: Mandatory

	Comply	Not Comply
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The service provider must provide and maintain public liability insurance upon award of the contract.		
Substantiate / Comments		

14.3 FUNCTIONAL REQUIREMENTS

The Functional / Technical criterion that will be utilized to test the capability of service providers was set as follows:

Technical / Functionality will be evaluated against the following detailed requirements:

14.3.1 Functional Requirements

Sub-Criteria	Description	Weightings
Proposal The service provider must provide the LEKWA LM with a proposal with the following headings:		
Who is the service provider?	Company profile.	5
Compliance to regulations and standards	The service provider must submit proof of fire arm registration: • 0 Fire Arms = 0 • 1 - 10 Fire Arms = 5 • 11 - 30 Fire Arms = 10 • 31 - 50 Fire Arms = 15 • 51 Fire Arms and above = 20	15
Track record and Experience	• Three references of security services provided within the last three years, references, to include company name, contact person and contact details (telephone number and e-mail) and copy of appointment letters	10

Proposed methodology	Project plan	5
	Implementation plan	5
	Response or Eviction Plan	5
Vehicles Registered	How many officers will be deployed? Staffing structure •No Vehicles = 0 •01 x Vehicle = 5 •02 x Vehicles = 10 •03 x Vehicles = 15 •04 x Vehicles = 20	20
Training of Officers	The services provider to provide accredited training and proof of accreditation in the name of services provider to be attached (Plan to train 30 Officer per year)	15
Vetting of Directors	Proof of vetting (SAPS Clearance) of company Directors not more than three months (Attach Proof)	10
Special Events Security Services	The service provider must provide a Special Events Security Services. Attach plan and certificates as proof	5
Provision of K9 Dogs	Supplier must have a valid license issued by National License of Officers in terms of Animal Protection Amendment Act, Act 4 of 2016 and in line with PSIRA circulars as well.	5
Total		100

All Bidders who score **LESS than (75% out of 100%)** on functionality will not be considered for further evaluation on Price and BEE

**PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000:
PREFERENTIAL PROCUREMENT REGULATIONS, 2017**

The Minister of Finance has, in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000), made the regulations set out in the Schedule.

SCHEDULE

Preferential Procurement Regulations, 2017 Contents

1. Definitions
2. Application
3. Identification of preference point system, designated sector, pre-qualification criteria, objective criteria and subcontracting
4. Prequalification criteria for preferential procurement
5. Tenders to be evaluated on functionality
6. 80/20 preference point system for acquisition of goods or services for Rand value equal to or above R30 000 and up to R50 million
7. 90/10 preference point system for acquisition of goods or services with Rand value above R50 million
8. Local production and content
9. Subcontracting as condition of tender
10. Criteria for breaking deadlock in scoring
11. Award of contracts to tenderers not scoring highest points
12. Subcontracting after award of tender
13. Cancellation of tender
14. Remedies
15. Circulars and guidelines
16. Repeal of Regulations and saving
17. Short title and commencement

Definitions

1. In these Regulations, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in the Act must bear the meaning so assigned-

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

“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;

“black designated groups” has the meaning assigned to it in the codes of good practice issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act; **“black people”** has the meaning assigned to it in section 1 of the Broad-Based Black Economic Empowerment Act;

“Broad-Based Black Economic Empowerment Act” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

“co-operative” means a co-operative registered in terms of section 7 of the Co-operatives Act, 2005 (Act No. 14 of 2005);

“designated group” means-

- (a) black designated groups;
- (b) black people;
- (c) women;
- (d) people with disabilities; or
- (e) small enterprises, as defined in section 1 of the National Small Enterprise Act, 1996 (Act No. 102 of 1996);

“designated sector” means a sector, sub-sector or industry or product designated in terms of regulation 8(1)(a);

“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;

“functionality” means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents;

“military veteran” has the meaning assigned to it in section 1 of the Military Veterans Act, 2011 (Act No. 18 of 2011);

“National Treasury” has the meaning assigned to it in section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

“people with disabilities” has the meaning assigned to it in section 1 of the Employment Equity Act, 1998 (Act No. 55 of 1998);

“price” includes all applicable taxes less all unconditional discounts;

“proof of B-BBEE status level of contributor” means-

- (a) the B-BBEE status level certificate issued by an authorised body or person;
- (b) a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or
- (c) any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act;

“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;

“Rand value” means the total estimated value of a contract in Rand, calculated at the time of the tender invitation;

“rural area” means-

- (a) a sparsely populated area in which people farm or depend on natural resources, including villages and small towns that are dispersed through the area; or
- (b) an area including a large settlement which depends on migratory labour and remittances and government social grants for survival, and may have a traditional land tenure system;

“stipulated minimum threshold” means the minimum threshold stipulated in terms of regulation 8(1)(b);

“the Act” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);

“township” means an urban living area that any time from the late 19th century until 27 April 1994, was reserved for black people, including areas developed for historically disadvantaged individuals post 27 April 1994;

“treasury” has the meaning assigned to it in section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999); and

“youth” has the meaning assigned to it in section 1 of the National Youth Development Agency Act, 2008 (Act No. 54 of 2008).

Application

2. These Regulations apply to organs of state as envisaged in the definition of organ of state in section 1 of the Act.¹

Identification of preference point system, designated sector, pre-qualification criteria, objective criteria and subcontracting

3. An organ of state must-
 - (a) determine and stipulate in the tender documents-
 - (i) the preference point system applicable to the tender as envisaged in regulation 6 or 7; or

¹ The definition of “organ of state” in section 1 of the Act in paragraph (a) to (e) includes-

- a national or provincial department as defined in the Public Finance Management Act, 1999;
- a municipality as contemplated in the Constitution;
- a constitutional institution as defined in the Public Finance Management Act;
- Parliament;
- a provincial legislature.

Paragraph (f) of the definition of organ of state in section 1 of the Act includes any other institution or category of institutions included in the definition of “organ of state” in section 239 of the Constitution and recognised by the Minister by notice in the *Government Gazette* as an institution or category of institutions to which the Act applies. Government Notice R. 501 of 8 June 2011 recognises, with effect from 7 December 2011, all public entities listed in Schedules 2 and 3 to the Public Finance Management Act, 1999, as institutions to which the Act applies. Note should be taken of notices issued from time to time in terms of paragraph (f) of this definition. The application of these Regulations is also subject to applicable exemptions approved in terms of section 3 of the Act.

- (ii) if it is unclear which preference point system will be applicable, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system;
- (b) determine whether pre-qualification criteria are applicable to the tender as envisaged in regulation 4;
- (c) determine whether the goods or services for which a tender is to be invited, are in a designated sector for local production and content as envisaged in regulation 8;
- (d) determine whether compulsory subcontracting is applicable to the tender as envisaged in regulation 9; and
- (e) determine whether objective criteria are applicable to the tender as envisaged in regulation 11.

Pre-qualification criteria for preferential procurement

4.(1) If an organ of state decides to apply pre-qualifying criteria to advance certain designated groups, that organ of state must advertise the tender with a specific tendering condition that only one or more of the following tenderers may respond-

- (a) a tenderer having a stipulated minimum B-BBEE status level of contributor;
 - (b) an EME or QSE;
 - (c) a tenderer subcontracting a minimum of 30% to-
 - (i) an EME or QSE which is at least 51% owned by black people;
 - (ii) an EME or QSE which is at least 51% owned by black people who are youth;
 - (iii) an EME or QSE which is at least 51% owned by black people who are women;
 - (iv) an EME or QSE which is at least 51% owned by black people with disabilities;
 - (v) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
 - (vi) a cooperative which is at least 51% owned by black people;
 - (vii) an EME or QSE which is at least 51% owned by black people who are military veterans;
 - (viii) an EME or QSE.
- (2) A tender that fails to meet any pre-qualifying criteria stipulated in the tender documents is an unacceptable tender.

Tenders to be evaluated on functionality

5.(1) An organ of state must state in the tender documents if the tender will be evaluated on functionality.

- (2) The evaluation criteria for measuring functionality must be objective.
- (3) The tender documents must specify-
 - (a) the evaluation criteria for measuring functionality;
 - (b) the points for each criteria and, if any, each sub-criterion; and

- (c) the minimum qualifying score for functionality.
- (4) The minimum qualifying score for functionality for a tender to be considered further-
- (a) must be determined separately for each tender; and
- (b) may not be so-
- (i) low that it may jeopardise the quality of the required goods or services; or
- (ii) high that it is unreasonably restrictive.
- (5) Points scored for functionality must be rounded off to the nearest two decimal places.
- (6) A tender that fails to obtain the minimum qualifying score for functionality as indicated in the tender documents is not an acceptable tender.
- (7) Each tender that obtained the minimum qualifying score for functionality must be evaluated further in terms of price and the preference point system and any objective criteria envisaged in regulation 11.

80/20 preference point system for acquisition of goods or services for Rand value equal to or above R30 000 and up to R50 million

6.(1) The following formula must be used to calculate the points out of 80 for price in respect of a tender with a Rand value equal to or above R30 000 and up to a Rand value of R50 million, inclusive of all applicable taxes:

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

Where-

P_s = Points scored for price of tender under consideration;

P_t = Price of tender under consideration; and

P_{min} = Price of lowest acceptable tender.

(2) The following table must be used to calculate the score out of 20 for B-BBEE:

B-BBEE Status Level of Contributor	Number of Points
1	20
2	18
3	14
4	12
5	8
6	6

7	4
8	2
Non-compliant contributor	0

(3) A tenderer must submit proof of its B-BBEE status level of contributor.

(4) A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE may not be disqualified, but-

(a) may only score points out of 80 for price; and

(b) scores 0 points out of 20 for B-BBEE.

(5) A tenderer may not be awarded points for B-BBEE status level of contributor if the tender documents indicate that the tenderer intends subcontracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for, unless the intended subcontractor is an EME that has the capability to execute the subcontract.

(6) The points scored by a tenderer for B-BBEE in terms of subregulation (2) must be added to the points scored for price under subregulation (1).

(7) The points scored must be rounded off to the nearest two decimal places.

(8) Subject to subregulation (9) and regulation 11, the contract must be awarded to the tenderer scoring the highest points.

(9)(a) If the price offered by a tenderer scoring the highest points is not market-related, the organ of state may not award the contract to that tenderer.

(b) The organs of state may-

(i) negotiate a market-related price with the tenderer scoring the highest points or cancel the tender;

(ii) if the tenderer does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the second highest points or cancel the tender;

(iii) if the tenderer scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the third highest points or cancel the tender.

(c) If a market-related price is not agreed as envisaged in paragraph (b)(iii), the organ of state must cancel the tender.

90/10 preference point system for acquisition of goods or services with Rand value above R50 million

7.(1) The following formula must be used to calculate the points out of 90 for price in respect of a tender with a Rand value above R50 million, inclusive of all applicable taxes:

Where-

$$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

P_s = Points scored for price of tender under consideration;

P_t = Price of tender under consideration; and

$P_{\min}$ = Price of lowest acceptable tender.

(2) The following table must be used to calculate the points out of 10 for B-BBEE:

B-BBEE Status Level of Contributor	Number of Points
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

(3) A tenderer must submit proof of its B-BBEE status level of contributor.

(4) A tenderer failing to submit proof of B-BBEE status level of contribution or is a non-compliant contributor to B-BBEE may not be disqualified, but-

- (a) may only score points out of 90 for price; and
- (b) scores 0 points out of 10 for B-BBEE.

(5) A tenderer may not be awarded points for B-BBEE status level of contributor if the tender documents indicate that the tenderer intends subcontracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for, unless the intended subcontractor is an EME that has the capability to execute the subcontract.

(6) The points scored by a tenderer for B-BBEE contribution in terms of subregulation (2) must be added to the points scored for price under subregulation (1).

(7) The points scored must be rounded off to the nearest two decimal places.

(8) Subject to subregulation (9) and regulation 11, the contract must be awarded to the tenderer scoring the highest points.

(9)(a) If the price offered by a tenderer scoring the highest points is not market-related, the organ of state may not award the contract to that tenderer.

(b) The organs of state may-

- (i) negotiate a market-related price with the tenderer scoring the highest points or cancel the tender;
 - (ii) if the tenderer does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the second highest points or cancel the tender;
 - (iii) if the tenderer scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the tenderer scoring the third highest points or cancel the tender.
- (c) If a market-related price is not agreed as envisaged in paragraph (b)(iii), the organ of state must cancel the tender.

Local production and content

8.(1) The Department of Trade and Industry may, in consultation with the National Treasury-

- (a) designate a sector, sub-sector or industry or product in accordance with national development and industrial policies for local production and content, where only locally produced services or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content, taking into account economic and other relevant factors; and
- (b) stipulate a minimum threshold for local production and content.

(2) An organ of state must, in the case of a designated sector, advertise the invitation to tender with a specific condition that only locally produced goods or locally manufactured goods, meeting the stipulated minimum threshold for local production and content, will be considered.

(3) The National Treasury must inform organs of state of any designation made in terms of regulation 8(1) through a circular.

(4)(a) If there is no designated sector, an organ of state may include, as a specific condition of the tender, that only locally produced services or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.

(b) The threshold referred to in paragraph (a) must be in accordance with the standards determined by the Department of Trade and Industry in consultation with the National Treasury.

(5) A tender that fails to meet the minimum stipulated threshold for local production and content is an unacceptable tender.

Subcontracting as condition of tender

9.(1) If feasible to subcontract for a contract above R30 million, an organ of state must apply subcontracting to advance designated groups.

- (2) If an organ of state applies subcontracting as contemplated in subregulation (1), the organ of state must advertise the tender with a specific tendering condition that the successful tenderer must subcontract a minimum of 30% of the value of the contract to-
 - (a) an EME or QSE;

- (b) an EME or QSE which is at least 51% owned by black people;
- (c) an EME or QSE which is at least 51% owned by black people who are youth;
- (d) an EME or QSE which is at least 51% owned by black people who are women;
- (e) an EME or QSE which is at least 51% owned by black people with disabilities;
- (f) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
- (g) a cooperative which is at least 51% owned by black people;
- (h) an EME or QSE which is at least 51% owned by black people who are military veterans; or
- (i) more than one of the categories referred to in paragraphs (a) to (h).

(3) The organ of state must make available the list of all suppliers registered on a database approved by the National Treasury to provide the required goods or services in respect of the applicable designated groups mentioned in subregulation (2) from which the tenderer must select a supplier.

Criteria for breaking deadlock in scoring

10.(1) If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for B-BBEE.

(2) If functionality is part of the evaluation process and two or more tenderers score equal total points and equal preference points for B-BBEE, the contract must be awarded to the tenderer that scored the highest points for functionality.

(3) If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

Award of contracts to tenderers not scoring highest points

11.(1) A contract may be awarded to a tenderer that did not score the highest points only in accordance with section 2(1)(f) of the Act.

(2) If an organ of state intends to apply objective criteria in terms of section 2(1)(f) of the Act, the organ of state must stipulate the objective criteria in the tender documents.

Subcontracting after award of tender

12.(1) A person awarded a contract may only enter into a subcontracting arrangement with the approval of the organ of state.

(2) A person awarded a contract in relation to a designated sector, may not subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

(3) A person awarded a contract may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

Cancellation of tender

- 13.** (1) An organ of state may, before the award of a tender, cancel a tender invitation if-
- (a) due to changed circumstances, there is no longer a need for the goods or services specified in the invitation;
 - (b) funds are no longer available to cover the total envisaged expenditure;
 - (c) no acceptable tender is received; or
 - (d) there is a material irregularity in the tender process.
- (2) The decision to cancel a tender invitation in terms of subregulation (1) must be published in the same manner in which the original tender invitation was advertised.
- (3) An organ of state may only with the prior approval of the relevant treasury cancel a tender invitation for the second time.

Remedies

- 14.**(1) Upon detecting that a tenderer submitted false information regarding its B- BBEE status level of contributor, local production and content, or any other matter required in terms of these Regulations which will affect or has affected the evaluation of a tender, or where a tenderer has failed to declare any subcontracting arrangements, the organ of state must-
- (a) inform the tenderer accordingly;
 - (b) give the tenderer an opportunity to make representations within 14 days as to why-
 - (i) the tender submitted should not be disqualified or, if the tender has already been awarded to the tenderer, the contract should not be terminated in whole or in part;
 - (ii) if the successful tenderer subcontracted a portion of the tender to another person without disclosing it, the tenderer should not be penalised up to 10 percent of the value of the contract; and
 - (iii) the tenderer should not be restricted by the National Treasury from conducting any business for a period not exceeding 10 years with any organ of state; and
 - (c) if it concludes, after considering the representations referred to in subregulation (1)(b), that-
 - (i) such false information was submitted by the tenderer-
 - (aa) disqualify the tenderer or terminate the contract in whole or in part; and
 - (bb) if applicable, claim damages from the tenderer; or
 - (ii) the successful tenderer subcontracted a portion of the tender to another person without disclosing, penalise the tenderer up to 10 percent of the value of the contract.
- (2)(a) An organ of state must-
- (i) inform the National Treasury, in writing, of any actions taken in terms of subregulation (1);

- (ii) provide written submissions as to whether the tenderer should be restricted from conducting business with any organ of state; and
 - (iii) submit written representations from the tenderer as to why that tenderer should not be restricted from conducting business with any organ of state.
- (b) The National Treasury may request an organ of state to submit further information pertaining to subregulation (1) within a specified period.
- (3) The National Treasury must-
- (a) after considering the representations of the tenderer and any other relevant information, decide whether to restrict the tenderer from doing business with any organ of state for a period not exceeding 10 years; and
 - (b) maintain and publish on its official website a list of restricted suppliers.

Circulars and guidelines

15. The National Treasury may issue-
- (a) a circular to inform organs of state of any matter pertaining to these Regulations; or
 - (b) a guideline to assist organs of state with the implementation of any provision of these Regulations.

Repeal of Regulations and saving

16.(1) Subject to this regulation, the Preferential Procurement Regulations, 2011, published in Government Notice No R. 502 of 8 June 2011 (herein called "the 2011 Regulations), are hereby repealed with effect from the date referred to in regulation 17.

(2) Any sector designated and minimum threshold determined for local production and content for purposes of regulation 9 of the 2011 Regulations and in force immediately before the repeal of the 2011 Regulations, are regarded as having been done under regulation 8(1) of these Regulations.

(3) Any tender advertised before the date referred to in regulation 17 must be dealt with in terms of the 2011 Regulations.

Short title and commencement

17. These Regulations are called the Preferential Procurement Regulations, 2017 and take effect on 1 April 2017.

BID DECLARATION

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

1. B-BBEE STATUS LEVEL OF CONTRIBUTION

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

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

2 SUB-CONTRACTING

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

2.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted?%
- (ii) the name of the sub-contractor?
- (iii) the B-BBEE status level of the sub-contractor?
- (iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

3 DECLARATIONS WITH REGARD TO COMPANY/FIRM

3.1 Name of company/firm :

3.2 VAT registration number :

3.3 Company registration number

3.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

3.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

3.6 COMPANY CLASSIFICATION

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

3.7 Total number of years the company/firm has been in business?

3.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

- (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution

WITNESSES:

1.

.....
SIGNATURE(S) OF BIDDER(S)

1.

DATE:.....

TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

1. In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
3. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
4. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

ANNEXURE E:**DECLARATION OF INTEREST**

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
 - the bidder is employed by the state; and/or
 - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
 - 2.1 Full Name of bidder or his or her representative:
 - 2.2 Identity Number:
 - 2.3 Position occupied in the Company (director, trustee, shareholder²):
 - 2.4 Company Registration Number:
 - 2.5 Tax Reference Number:
 - 2.6 VAT Registration Number:
 - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹ "State" means –

- (a) 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);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

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

2.7 Are you or any person connected with the bidder **YES / NO**
Presently employed by the state?

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:
Name of state institution at which you or the person
connected to the bidder is employed:
Position occupied in the state institution:

Any other particulars:
.....
.....
.....

2.7.2 If you are presently employed by the state, did you obtain **YES / NO**
the appropriate authority to undertake remunerative
work outside employment in the public sector?

2.7.2.1 If yes, did you attach proof of such authority to the bid **YES / NO**
document?

(Note: Failure to submit proof of such authority, where
applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

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

2.8 Did you or your spouse, or any of the company's directors / **YES / NO**
trustees / shareholders / members or their spouses conduct
business with the state in the previous twelve months?

2.8.1 If so, furnish particulars:

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

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1 If so, furnish particulars.

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

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

2.10.1 If so, furnish particulars.

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

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:

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

3 *Full details of directors / trustees / members / shareholders.*

Full Name	Identity Number	Personal Reference Number	Tax Number	State Number	Employee / Persal

4 DECLARATION

I, THE UNDERSIGNED (NAME).....

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

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

MBD 5

DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (VAT INCLUDED)

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

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

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 a municipality or any other service provider in respect of which payment is overdue for more than 30 days?

YES / NO

2.1 If no, a certificate must be submitted and signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days.

2.2 If yes, provide particulars.

.....

.....

.....

3. 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**

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

.....

DECLARATION

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

ANNEXURE F: PRICING SCHEDULE

This annexure should be completed and signed by the Bidder's authorised personnel as indicated below:

- 1 Please indicate your total bid price here: R..... (compulsory)
- 2 **Important:** It is mandatory to indicate your total bid price as requested above. This price must be the same as the total bid price you submit in your pricing schedule. Should the total bid prices differ, the one indicated above shall be considered the correct price.
- 3 **NOTE:** All prices must be VAT inclusive and must be quoted in South African Rand (ZAR).
- 4 Are the rates quoted firm for the full period of the contract?

YES	NO
-----	----
- 5 **Mandatory:** If not firm for the full period, provide details of the basis on which adjustments shall be applied e.g. CPI, and also details of the cost breakdown.

Item	SITES	Grade	Dayshift	Nightshift	Firearm	Total	Price
					Yes or No		
1	Substation A	C	1	2	Yes	3	
2	Substation B	C	1	2	Yes	3	
3	Substation C	C	1	2	Yes	3	
4	Sakhile receiving sub	C	1	1	Yes	2	
5	CA sub	C	1	1	Yes	2	
6	BA sub	C	1	1	Yes	2	
7	BB sub	C	1	1	Yes	2	
8	Showground sub	C	1	1	Yes	2	
9	Standerton Water Treatment Works	C	2	2	Yes	4	
10	Standerton Waste Water Treatment Works	C	3	3	Yes	6	
11	Morgenzon Water Treatment Works	C	1	2	Yes	3	
12	Moregnzon Waste Water Treatment Works	C	1	2	Yes	3	
13	Concor reservoir	C	1	2	Yes	3	
14	Kieser reservoir	C	1	1	Yes	2	
15	Square reservoir and new 10ML reservoir	C	1	1	Yes	2	
16	Round Reservoirs	C	1	1	Yes	2	
17	Vaal Sewer Pump	C	1	2	Yes	3	

	station						
18	Muller Sewer Pump station	C	1	2	Yes	3	
19	Johan Sewer Pump station	C	1	2	Yes	3	
20	Steyn Sewer Pump station	C	1	2	Yes	3	
21	Taljaard Sewer Pump station	C	1	2	Yes	3	
22	Rooikkoppen 1 Sewer Pump station	C	2	2	Yes	4	
23	Rooikkopen 2 Sewer Pump station	C	2	2	Yes	4	
24	Roikkoppen 3 Sewer Pump station	C	2	2	Yes	4	
25	Morgenzon 1 Sewer pump station	C	2	2	Yes	4	
26	TLC Sewer Pump station	C	1	2	Yes	3	
27	Main Administrative Offices	C A (Site Manager)	4 1	3		7 1	
28	Mechanical Workshop	C	2	3		5	
29	Electrical Workshop	C	2	2		4	
30	Standerton Fire Station	C	1	1		2	
31	Town Hall + Standerton Library	C	1	1		2	
32	Volkskas Building	C	1	1		2	
33	Showground	C	2	3		5	
34	Azalea Hall	C	1	1		2	
35	Stanwest Hall and Library	C	1	1		2	
36	Ext-6 Hall	C	1	1		2	
37	Thusong Centre	C	1	1		4	
38	Sakhile Admin Offices	C	2	2		5	
39	Sakhile Hall	C	1	1		2	
40	Walter Kinneer Hall	C	1	1		2	
41	Sakhile swimming Pool	C	1	1		2	
42	Standerton Swimming pool	C	1	1		2	
43	Sakhile Stadium	C	2	2		4	
44	Parks Offices	C	1	1		2	
51	Rooikopen Hall	C	1	1		2	
45	Morgenzon Administrative Offices	C	2	2		4	

46	Morgenzon Library	C	0	1		3	
47	Sivukile Hall	C	1	1		2	
48	Florah Park Swimming pool	C	1	1		2	
49	Sakhile Library	C	1	1		2	
TOTAL							
VAT @ 15%							
TOTAL PRICE PER MONTH (VAT Included)							

Price Declaration Form

Dear Sir,

Having read through and examined the Tender Document, Tender no., the General Conditions, The Requirement and all other Annexes to the Tender Document, we confirm to provide security services to the LEKWA LM offices, for the **total tendered contract sum** of:

R _____ (including VAT)

In Words: R_____ (including VAT)

We confirm that this price covers provision of security services for the LEKWA LM, including but not limited to the supply of all required. We confirm that the LEKWA LM will incur no additional costs whatsoever over and above this amount in connection with the services related to security to either of the eight different LEKWA LM offices. We undertake to hold this offer open for acceptance for a period of 90 days from the date of submission of offers. We further undertake that upon final acceptance of our offer, we will commence with delivery when required to do so by the Client.

Moreover, we agree that until formal Contract Documents have been prepared and executed, this Form of Tender, together with a written acceptance from the Client shall constitute a binding agreement between us, governed by the terms and conditions set out in this Request for Proposals.

We understand that you are not bound to accept the lowest or any offer and that we must bear all costs which we have incurred in connection with preparing and submitting this tender.

We hereby undertake for the period during which this tender remains open for acceptance not to divulge to any persons, other than the persons to which the tender is submitted, any information relating to the submission of this tender or the details therein except where such is necessary for the submission of this tender.

SIGNED _____ **DATE** _____

(Print name of signatory)

Designation

FOR AND ON BEHALF OF:

COMPANY NAME

Tel No

Fax No

Cell No

LEKWA LM

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 LEKWA LOCAL MUNICIPALITY in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, 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 2011;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1

.....

2

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

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

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

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

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

....

2

LEKWA LM

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

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions 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 disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 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 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 National Treasury after the <i>audi alteram partem</i> rule was applied).	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)? To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.	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 outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME).....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS 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

ANNEXURE H**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) 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 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD 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 (SBD 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 Institution)

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

SBD 9

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

Js914w 2