



public enterprises

Department:
Public Enterprises
REPUBLIC OF SOUTH AFRICA

**REQUEST FOR PROPOSALS (RFP)
RFQ SCM 49 /2022-2023**

REQUEST FOR PROPOSAL (RFP):

The Department of Public Enterprise is hereby requesting experienced and reputable bidders to submit proposals for the coordination and reporting on the implementation of the Aerospace & Defence (A&D) Masterplan.

CLOSING DATE: 28 JUNE 2022

TIME: 11:00

**QUOTATION TO BE VALID FOR A PERIOD OF 90 DAYS
ONLY EMAILED RESPONSE WILL BE ACCEPTED**

1. GLOSSARY OF TERMS

In the RFQ, unless the context otherwise indicates -

“B-BBEE” means Broad Based Black Economic Empowerment.

“Bidder” means a party that submits a proposal in response to the TOR;

“Consortium or joint venture” means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;

“Department” means the Department of Public Enterprises;

“Functionality” means the measurement according to predetermined norms of a service or commodity designed to be practical and useful, working or operating, taking into account quality, reliability, viability and durability of a service or commodity;

“Government” means the Government of the Republic of South Africa represented by the Minister for purposes of this Project;

“Minister” means the Minister of Public Enterprises;

“Person” means a natural or juristic person;

“Proposal” means the document(s) delivered, by a Bidder in accordance with the RFQ, expressing interest in the Project;

“Project Documents” means a mandate and all other agreements necessary to give effect to the Project;

“Project” means to assist the Department of Public Enterprises (“DPE”) with services required to provide quarterly update reports on the implementation of the Aerospace and Defence Masterplan;

“Denel” means DENEL SOC LTD;

“Service Provider” means a party appointed by the Department to execute the Project;

“Shareholding Minister” means the Minister of Public Enterprises;

“SLA” means Service Level Agreement between the Department and Service Provider;

“SOC” means State-Owned Company as defined in the Companies Act No 71 of 2008;

“MP” means Master Plan;

“TOR” means this Terms of Reference together with all its attachments; and

“EOC” means Executive Oversight Committee.

2. BACKGROUND

- 2.1. The Department of Public Enterprises is the shareholder representative for Government with oversight responsibility over seven State Owned Companies (SOC) that operate in core sectors of the economy such as mining, defence, energy, logistics, aviation and forestry.
- 2.2. The SOCs in the DPE portfolio are namely: Eskom, Transnet, Denel, South African Airways (SAA), South African Forestry Company Limited (SAFCOL), Alexkor and SA Express.
- 2.3. These SOCs play a key role in enabling economic growth, creating jobs and promoting the industrialisation and the transformation of the economy. The Department is the primary interface between Government and the SOCs concerned and, in addition to oversight, provides input to the formulation of policy, legislation and regulation.
- 2.4. The Transport and Defence Unit oversees South Africa Airways, South Africa Express Airways, Transnet and Denel while the Energy Enterprises Unit is responsible for Eskom, South African Forestry Companies Limited and Alexkor. The Minister has the legislative mandate to oversee Denel as the Executive Authority or Shareholding Minister on behalf of the State.
- 2.5. The South African Aerospace and Defence economy has been identified by the Industrial Policy Action Plan (IPAP) since its inception and now in the Reinvented Industrial Strategy (RIS) as one of the 151 priority South African economic sectors for support and development. As a result, a Masterplan for this sector is required to - Protect and create jobs; - Deepen sector capabilities; - Expand exports; and - Prepare for policy change and related impact.
- 2.6. The Minister of Public Enterprises has been tasked by Cabinet to oversee the implementation of the Aerospace & Defence Masterplan (A&D Masterplan). The critical vision of the A&D Masterplan is to re-purpose the Aerospace and Defence industry to improve South African lives for generations to come, i.e., a transformation of the defence and aerospace sector. Repurposing will be achieved through the deployment of the four pillars;
- 2.6.1. An increase in market access;

- 2.6.2. Localisation;
- 2.6.3. Increase in industry competitiveness; and
- 2.6.4. Human capital development and inclusion.

3. OUR VISION

To create an enabling environment in which SOCs add real economic value by focusing on operational excellence, commercial viability, and fiscal prudence. This will drive developmental objectives, industrialisation, job creation and skills development.

4. OUR MISSION

To provide clear strategic direction and oversight to the Department's SOCs, seeking to ensure that:

- 4.1. They are financially sustainable, adequately funded and operationally robust.
- 4.2. Their operating models keep pace with global development and innovation.
- 4.3. They provide reliable, high-quality and cost-effective services and infrastructure to industry and our citizens.
- 4.4. They secure investment and funding for strategic industrial development; and they align with national developmental objectives.

5. SCOPE OF WORK

5.1. The Department of Public Enterprise is hereby requesting experienced and reputable bidders to submit proposals for the coordination and reporting on the implementation of the A&D Masterplan.

5.2. The service provider will coordinate the activities of the

- 5.2.1. Workstreams of the Master Plan (MP);
- 5.2.2. Generate reports and arrange meetings of the for the Steering Committee on a quarterly basis or on request
- 5.2.3. Prepare meetings of Executive Oversight Committee (EOC).

5.3. The service provider needs to demonstrate sufficient understanding of programme management and delivery in a public service institution/government, regarding:

- 5.3.1. Setting up of reporting systems and ensure reports are tabled timeously;

- 5.3.2. Communication between constituent stakeholders to achieve given outcomes at the required time, quality and cost parameters;
 - 5.3.3. Ensure the reporting on the implementation of the Masterplan on a regular basis as determined by the relevant stakeholders; including Steering Committee and the Executive Oversight Committee (EOC);
 - 5.3.4. Management of overall resources employed to align focus outcomes on the 4 Pillars of the MP; and finally
 - 5.3.5. Providing strategic planning and coaching of workstreams.
- 5.4. The service provider will also coordinate the reporting to the Steering Committee (SC) and the Executive Oversight Committee (EOC).
- 5.5. The service provider will have a direct liaison with the different streams of MP. In addition, the Service Provider will be required to work and interact with affected stakeholders including representatives from the Department, other relevant departments and constituencies relevant to the MP.

6. DELIVERABLES

- 6.1. The appointed Service Provider will be expected to provide the following deliverables:
- 6.1.1. Arrange workshop sessions with key defence and aerospace stakeholders;
 - 6.1.2. Facilitate timely execution of allotted tasks to the constituent working groups (Workstreams) and Steering Committee of the MP;
 - 6.1.3. Progress reporting and secretariat services to the Steering Committee, EOC, and the Department;
 - 6.1.4. Timely briefing to the DG's Office of potential and actual challenges to the MP implementation process;
 - 6.1.5. Monitoring and pro-actively manage MP delivery processes to keep within deadlines;
 - 6.1.6. Transfer skills (policy implementation and project management) to at least two (2) DPE officials.
 - 6.1.7. Secure the buy-in and active participation by stakeholders to resolve implementation hurdles (within and between the MP Parties, within and between government Stakeholder departments as well as within the overall MP implementation process).

- 6.2. Three quarterly reports outlining progress made on the implementation of the MP and offer practical proposals and possible solutions.

7. PROJECT MANAGEMENT

- 7.1. The Transport and Defence Unit in the DPE will take responsibility for the management of the project between the Department and the service provider.

- 7.2. The Service Provider is expected to:

- 7.2.1. Successfully complete the project milestones within agreed timelines;
- 7.2.2. Develop a project plan with clear milestones, responsibilities and timelines whilst also setting out assumptions made, and risks related to the delivery of the project;
- 7.2.3. Provide monthly progress reports to the Department in line with expected standards (including those that may have been prescribed by coordinators of all other masterplans) and the SLA;
- 7.2.4. Conduct quality assurance on deliverables, in line with project milestones, prior to them being submitted to the Department;
- 7.2.5. At the most have five (5) working days to incorporate DPE's comments on any deliverable submitted;
- 7.2.6. Be available to present the final deliverables to approving authorities and other relevant structures within five working days of communication of the request;
- 7.2.7. Continuously find ways to minimise project costs; and
- 7.2.8. Bear project cost overruns that materialise as a result of the Service Provider's own doing.

8. PROJECT DURATION

The project will be for the duration of nine (9) months and the Department reserves the right to assess and review performance as it deems fit and to terminate it subject to contractual performance.

9. ACCESS TO RESOURCES

- 9.1. The service provider will facilitate engagements, meetings and workshops with stakeholders with the DPE providing reasonable support to access the following resources for successful implementation of the project:

- 9.1.1. Key stakeholders;
- 9.1.2. Relevant documentation; and
- 9.1.3. Financial resources within the provided budget for the project.

10. KEY EXPERTISE REQUIRED

The key expertise required include:

- 10.1. Intergovernmental and stakeholder relations management;
- 10.2. Ensure adherence to corporate governance processes in the implementation of the desired outcomes;
- 10.3. Project management;
- 10.4. Implementation, monitoring, evaluation and reporting on projects with different stakeholders;
- 10.5. Strategic management of the project to realize the planned output on
- 10.6. Extensive knowledge on the multiplier effect of the defence sector;
- 10.7. Business and systems integration.
- 10.8. In addition, all the team members must possess:
 - 10.8.1. Well-developed analytic skills;
 - 10.8.2. High levels of communication, interpersonal skills;
 - 10.8.3. The ability to work under pressure; and
 - 10.8.4. Attention to detail and meeting timelines.

11. EVALUATION CRITERIA

In order to facilitate a transparent selection process that allows equal opportunity to all bidders, DPE has a Supply Chain Management policy that will be adhered to. Proposals will be evaluated in terms of the prevailing Supply Chain Management policy applicable to DPE and it should be noted that proposals will be evaluated in two (2) phases namely, mandatory evaluation and price and B-BBEE using the 80/20 formula (preference points system) for Price and B-BBEE as per the PPPFA regulations 2017.

Phase 1: Mandatory Evaluation

Bidders who comply with all mandatory requirements will qualify for Phase 2 where Price and B-BBEE will be considered.

Criteria	Sub Criteria	Comply	Not comply	Comments
Content and methodology	A proposal that demonstrates a solid understanding of the requirements in line with government's expectations and a rigorous work plan to deliver all outcomes in the required level of detail. The work plan must be appropriately resourced to deliver these outcomes within the required timeframes.			
Qualification	Key personnel who will be assigned to this project must have qualification in any of the following: Business or Public Administration, Legal, Engineering and Corporate governance. Certified copies of qualifications (not older than 3 months) must be attached.			
Company Experience	Demonstrate organisational capability to execute the project. Briefly discuss at least five (5) of similar projects undertaken and completed.			
Skills Transfer	Provide a skills transfer plan (to include negotiation skills, Policy implementation, management of projects and intergovernmental relations) that the service provider will use in coaching two (2) DPE officials.			
Reference Letters	Reference letter/s within five (5) years for similar or relevant projects (leading a policy implementation project, organizing public and private stakeholders, reporting and exposure in the defence sector). List of projects without letters (with contactable and signed by clients) will not be acceptable.			

Table 1- Price and B-BBEE

CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS
Price	Detailed budget breakdown	80
B-BBEE (Status Level Verification Certificate)	B-BBEE Level Contributor	20
TOTAL		100

12. INSTRUCTIONS TO BIDDERS

12.1. Terms and Conditions

DPE reserves, under exceptional circumstances, the rights to extend the closing date. All proposals and all subsequent information received from bidders will not be returned.

The adjudication process does not represent a commitment on the part of the DPE to proceed further with that proposal or of any other bidder.

12.2. Changes to this RFQ document

DPE reserves the right to make changes on this RFQ/RFP Document. All changes will be communicated to those bidders that have responded to the RFQ/ RFP. No reliance shall be placed on other information or comment from any other person.

12.3. Confidentiality

Any information relating to the submissions, through the process or otherwise shall be treated in strict confidence.

12.4. Other matters

- 12.4.1. DPE reserves the right not to enter any relationship and no correspondence pertaining to submissions will be entered into.
- 12.4.2. If DPE does not accept any proposal, it will declare this RFQ/ RFP call process closed and may then elect to:
 - 12.4.2.1. Proceed on a completely different basis; and
 - 12.4.2.2. Not to appoint any respondent in the event it deems proposals not appropriate
- 12.4.3. DPE will not accept any responsibility for costs incurred by bidders in preparing and submitting proposals.
- 12.4.4. DPE reserves the right to engage in processes to validate all claims made in the proposal.
- 12.4.5. DPE reserves the right to cancel the award if it is determined that the supplier/service provider recommended for award, has engaged in corrupt or fraudulent activities in competing for the contract in question. For the purposes of this RFQ/ RFP, "fraudulent practice"

means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of the accounting officer/authority and includes collusive practices among bidders/contractors (prior to or after submission of proposals) designed to establish prices at artificial, non-competitive levels and to deprive the accounting officer/authority of the benefits of free and open competition.

13. PAYMENT STRUCTURE

- 13.1. DPE undertakes to pay in full within thirty (30) days, all valid claims for work done to its satisfaction upon presentation of a substantiated claim/invoice.
- 13.2. Payments will only be made on the basis of the work completed (milestones/deliverables) as per the project implementation plan to be agreed at the inception of the project.

14. GENERAL

Below are compulsory requirements for this service:

- 14.1. It is important to note that the successful bidder will work under the supervision of a DPE representative, abide by DPE's Code of Conduct, and other organizational guidelines.
- 14.2. Kindly submit the following documents:
 - 14.2.1. Valid B-BBEE Level of contribution or Sworn Affidavit Certificate issued by the following agencies SANAS, IRBA or CCA (Failure to attach certificate will lead to non- allocation of points)
 - 14.2.2. Proof that tax matters with SARS are in order (SARS Pin Number/ Tax Clearance Certificate)
 - 14.2.3. National Treasury Central Supplier Database Report (CSD)
 - 14.2.4. Completed and signed SBD 4, 6.1 and 3.3 forms

15. CONTACT DETAILS FOR INFORMATION

- 15.1. Further information regarding supply chain matters can be send via email to: Zandarine.Theron@dpe.gov.za or at tel 012 431-1030
- 15.2. Technical enquiries can be sent via email to Gloria.Mabindisa@dpe.gov.za

16. SUBMISSIONS OF PROPOSALS

- 16.1. Proposals should be submitted on or before 28 **June 2022** by no later than 11:00 to the following email address: quotations@dpe.gov.za
- 16.2. The selection of the qualifying bid/quotations will be at Department of Public Enterprise's sole discretion. Department of Public Enterprise does not bind itself to accept any bid/quotations and reserves the right not to appoint the bidder.

PRICING SCHEDULE
(Professional Services)

ANNEXURE A

NAME OF BIDDER:

RFQ/RFP NR 49/2022-2023

CLOSING TIME:

CLOSING DATE: 28 JUNE 2022

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
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The Department of Public Enterprises invites bidders to submit a proposal for the appointment of a service provider to coordinate the implementation of the Aerospace and Defence Masterplan.

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

R.....
(TOTAL 1 & 2)

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

4. PERSON AND POSITION

HOURLY RATE

DAILY RATE

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

R-----
R-----
R-----

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

R----- days
R----- days
R----- days

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

DESCRIPTION OF EXPENSE TO BE INCURRED

RATE

QUANTITY

AMOUNT

..... R.....
..... R.....
..... R.....

TOTAL (1): R.....

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

Name of Bidder:

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

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

TOTAL (2): R.....

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

*(DELETE IF NOT APPLICABLE)

Any enquiries regarding supply chain management procedures may be directed to-

Zandarine Theron
 Tel: (012) 431-1030
 Email: zandarine.theron@dpe.gov.za and

Technical information may be directed to-
 Gloria Mabindisa Email: gloria.mabindisa@dpe.gov.za

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

- 2.2 Do you, or any person connected with the bidder, have a relationship

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

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 **DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

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

.....	
Signature	Date
.....	
Position	Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

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

1.2

- a) The value of this bid is estimated to ~~exceed/not exceed~~ R50 000 000 (all applicable taxes included) and therefore the **...80/20.....** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

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

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

80/20

or

90/10

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for price of bid under consideration

P_t = Price of bid under consideration

$P_{\min}$ = Price of lowest acceptable bid

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

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

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

5. BID DECLARATION

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

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

- 6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

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

(Tick applicable box)

YES		NO	
-----	--	----	--

- 7.1.1 If yes, indicate:

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

(Tick applicable box)

YES		NO	
-----	--	----	--

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

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		

Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT _____ registration
number:.....

8.3 Company _____ registration
number:.....

8.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provider

Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a

fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES

1.

2.

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SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

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