



BA-PHALABORWA MUNICIPALITY

PROVISION OF SHORT-TERM INSURANCE FOR A PERIOD OF THREE YEARS

TENDER NUMBER: BPM 05/25/26 (PROPOSAL)

Closing Date: 06/10/2025

Time: 10h00

Venue: Tender Box (Main Office)

Tender Documents are available from the municipal website and the E-tender portal.

Ba-Phalaborwa Municipality Budget and Treasury Office: Contact: Selepe NW Acting Chief Financial Officer Tel: (015) 780 6303	Ba-Phalaborwa Municipality Office of the Municipal Manager Contact: Mabitsela TJ Risk Officer Tel: (015) 780 6300
Name of Tenderer: Year One Amount: Year Two Amount: Year Three Amount: TOTAL AMOUNT TENDERED (All Inclusive):	

TENDER NO: BPM 05/25/26**1. Tender Notice and Invitation to submit tender.**

Ba-Phalaborwa Municipality invites interested service providers to submit tender document for Provision of Short-Term Insurance for a period of three years (Proposal).

TENDER NUMBER	DESCRIPTION	COMPULSORY SESSION			BRIEFING	COST	EVALUATION CRITERIA	CLOSING DATE AND TIME	CONTACT PERSON
		DATE	TIME	VENUE					
BPM 05/25/26	Provision of Short-Term Insurance for a period of three years (Proposal).	30/09/2025	10h00	Municipal Activity Hall		Free at the municipal website and E-tender portal	80/20	06/09/2025 10H00	Mr. Mabitsela T (015) 780 6300

A compulsory briefing session will be held on the dates and times specified above at Activity Hall, Ba-Phalaborwa Municipality, Main Office, CNR Mandela and Sealene Street

The tender is to be deposited in the tender box at Ba-Phalaborwa Municipality Offices situated at CNR Mandela Drive & Sealene Street in Phalaborwa, by the closing date and time as mentioned above, where after they will be opened in public. No late, telefaxed or Document found in any other place or tendered documents from service providers who have not attended the compulsory briefing session will be considered.

Bidders should take note of the following bidding conditions:

1. Ba-Phalaborwa Municipality Supply Chain Management Policy shall apply in the evaluation and awarding of the Tender.
2. Ba-Phalaborwa Municipality does not bind itself to accept the lowest tender, reserves the right to accept the whole or part of the Tender and reserves the right not to appoint.
3. The Bid validity shall be 90 (Ninety) days from the date of closure.
4. Bidders must provide proof of the following to avoid disqualification: CSD report not older than 3 months, SAPS certified documents, statement of municipal rates and taxes for both company and director (s) (not older than 3 months)/letter from traditional authority not older than 3 months/ lease agreement, key personnel/service team's experience (attach certified copies of qualifications and CV; CK/Company registration, Valid tax pin, proof of work experience (attach relevant appointment letters). All the relevant returnable documents should be attached to the tender document,
5. The minimum score for functionality will be 70 points and bidders who score below 70 points will not be evaluated further on price and specific goals specified for the tender.

Ms. IY BUYS
ACTING MUNICIPAL MANAGER
NOTICE NO:8/25



BA-PHALABORWA LOCAL MUNICIPALITY

**BID DESCRIPTION: PROVISION OF SHORT-TERM INSURANCE
FOR A PERIOD OF THREE YEARS (Proposal)**

BID NUMBER: BPM 05/25/26

TENDER SUBMITTED BY:

.....

NAME OF COMPANY:.....

ADDRESS:

.....

ISSUED BY:

Municipal Manager
Ba-Phalabaorwa Local
Municipality
Private Bag X
Phalaborwa
1390
Tel: (015) 780 6300

CLOSING DATE: 06 October 2025 @ 10H00AM

INDEX

Table of Contents

1. Introduction 5

2. Purpose 5

3. Scope of work..... 5

4. Services To Be Rendered 5

5. List of Returnable Documents 7

5.1 Bid Requirements..... 8

6. Pricing Instructions..... 8

7. Tender Evaluation 11

7.1 Evaluation Criteria..... 11

8. Conclusion..... 15

Compulsory Municipal Bid Documents 16

PROVISION OF SHORT-TERM INSURANCE FOR A PERIOD OF THREE YEARS (PROPOSAL)

1. Introduction

Ba-Phalaborwa Municipality hereby invites proposals from reputable short-term Insurance Intermediaries to submit proposals for the Provision of Short-Term Insurance Services to cover municipal assets, liabilities employees etc. for a contract period of three years.

2. Purpose

Section 63 and 78 of the Municipal Finance Management Act, No 56 of 2003 requires the Municipality to take all reasonable steps to ensure that the assets and liabilities of the municipality are managed effectively and that assets are safeguarded and maintained to the extent necessary.

To comply with the above Act and to ensure that the Municipality's assets and liabilities are adequately insured, and any risk exposure is minimized, the Municipality needs to appoint a Service Provider to provide insurance cover to the municipality. In conducting its normal course of business, the Ba-Phalaborwa Municipality (BPM) encounters numerous risks and in mitigating the risks wishes to cost effectively transfer some of the risks by taking out short-term insurance.

3. Scope of work

The Bidder must provide insurance cover for Ba-Phalaborwa Local Municipality. The insurance needs to cover all the assets and liabilities as indicated in the specification. The Bidder must provide a copy of the Underwriter quotations as proof of the cost of the Underwriter premium.

4. Services To Be Rendered

4.1 Placement of the Municipality's Insurance Portfolio with suitable insurance underwriters.

- a. Assess the Municipality's insurance requirements as reflected in the tender specifications and negotiate with insurance underwriters, present the underwriting terms to the Municipality for acceptance, and place the Municipality's insurance portfolio with the Underwriters annually.
- b. Negotiate with the Insurance Underwriters on suitable insurance terms and premiums based on the quotations obtained by the Service Provider. The broker should present a minimum of two quotations to the municipality.
- c. Attend insurance pre-placement meeting(s) with the Municipality to discuss the underwriting terms and premiums.
- d. Advise the Municipality and provide quotations on additional insurance cover that might be necessary to take out to ensure that the Municipality's risk is minimized and place the insurance cover with the

Insurance Underwriters on the Municipality's instruction, and provide the Municipality with written confirmation thereof together with details of the insurance cover placed

- e. Place the Municipality's insurance portfolio with the Insurance Underwriters and provide the Municipality with written confirmation thereof together with details of the insurance cover placed.
- f. Providing a fixed excess structure for the three (3) years tender period.
- g. Stating in writing all exclusions regarding the Insurance policy types and request the necessary disclosure required by the Insurer, from the Municipality for the insurance policy to be active.
- h. Confirming placement and 100% cover - the broker must provide the complete Insurance Tender terms of reference to the underwriter/s, where after the underwriter/s must provide confirmation (e.g. confirmation document or signature on terms of reference document) that the specified assets and other risks will be insured as stated in the specifications.
- i. Signing a Service Level Agreement with the municipality.

4.2 Underwriting administration

- a. Provide quotations on any additional insurance cover required by the Municipality and place the insurance cover with the Insurance Underwriters on the Municipality's instruction and provide the Municipality with written confirmation thereof together with details of the insurance cover placed.
- b. Meeting with the Municipality's officials whenever required by either party to discuss or provide advice on insurance cover. The Service Provider's staff members required at these meetings will depend on the technicality of the issues to be discussed.

4.3 Claims administration services for all policies taken through the broker.

The appointed Service Provider will be responsible to handle all aspects of claims as the Municipality will not communicate directly to any legal representatives of the service provider, third parties or the Underwriter where the insurance is placed. The appointed Service Provider will be required to perform at least the following:

- a. Administer all the Municipality's insurance claims which fall under the various categories of the insurance policies.
- b. Administer all claims received by the Municipality from third party's claiming for personal injury or damage to their property. This includes liaising with the third parties on the Municipality's behalf.
- c. Provide a motivation, based on substantive legal grounds, for all claims that are rejected by the Insurance Company. The Municipality reserves the right to reconsider any opinion received, to refer it back to the Broker for another opinion or recommendation.

- d. Submit monthly updated reports in respect of all of the Municipality's claims submitted, indicating the status of each claim.
- e. Meet with the Municipality's relevant officials, individually or in groups, whenever required by either party to discuss and advise on insurance claims.

4.4 Renewal / Placement of the Municipality's Insurance Portfolio

The appointed Service Provider will be required to perform the following before the renewal in respect of each year:

- a. Assess the Municipality's insurance requirements as reflected in the insurance policy.
- b. Compile updated information for the Municipality regarding the latest insurance statistics and submit this information to the Insurance Underwriters.
- c. Negotiate with the Insurance Underwriters on suitable insurance terms and premiums based on the Municipality's existing insurance cover and updated asset register.
- d. Advise the Municipality and provide quotations on additional insurance cover that could become necessary to be taken out to ensure that the Municipality's risk is minimized.

5. List of Returnable Documents

- a. All bidders must attend the compulsory briefing session.
- b. Terms of reference to be completed in full and each page to be initialized. Declaration of interest forms (MBD 4 & 8) must also be signed.
- c. Company Registration Certificate
- d. Copy/ printed Tax compliance status Pin to enable the municipality to verify the bidder's tax compliance status.
- e. Recent Statement of Municipal rates and taxes or municipal service charges of every Director Listed on the C.K Document not older than three months from the date issued and not owing more than three months (90 Days). Should Directors be residing in rural areas, Letter from Tribal Authority confirming your stay in that Area.
- f. Recent Statement of Municipal rates and taxes or municipal service charges of the Company (Bidder) not older than three months from the date issued and not owing more than three months (90 Days). Lease agreement if the company is leasing a property.
- g. A signed Joint Venture Agreement (In case of a Joint Venture).
- h. Latest registration report of Central Supplier Database (CSD) with valid reference number. (Printed between the tender opening and closing date).
- i. Certified ID copies of the directors/ members/ proprietors not older than three months
- j. Power of attorney/ letter of authority for signatory if applicable
- k. Proof of Professional Indemnity cover of R100 million.
- l. Proof of Registration with the Information Regulator.

- m. Proof of Registration with Financial Sector Conduct Authority (FSCA).
- n. Proof of Registration with the Institute of Risk Management – South Africa (IRMSA).
- o. Proof of Registration with the Insurance Institute of South Africa- IISA.
- p. Proof of Registration with Financial Intermediaries Association (FIA).
- q. Provide confirmation letters of three of the highest value claims in excess of R 1 million.
- r. ISO 9001: 2015 Provision of Insurance Brokerage Services Certificate.
- s. Confirmation Letters of CSI Projects in different provinces minimum of 3 letters.
- t. Proof of Bank Rating with minimum code.
- u. Proof of agency agreements with underwriters (if these cannot be provided, a letter from the underwriters confirming an agreement is in place must be provided).
- v. Term of reference to be completed and each page to be initial.
- w. All copies to be certified by SAPS.

5.1 Bid Requirements

- a. Late bids will not be considered. Please note that bids are late if they are received after the closing date and time.
- b. Bids will be valid for 90 days.
- c. All prices must be quoted in South African currency and must be VAT Inclusive.
- d. All items must be priced, failure to price all items will render your bid non-responsive.
- e. All relevant forms attached to this bid document must be completed and signed in black ink where applicable by a duly authorized official. Use of tipex and pencil will not be acceptable.

6. Pricing Instructions

6.1 Broker Fee Basis

- Compensation will be based on a broker fee model to ensure transparency and alignment with the municipality's interests.
- The broker fee should be structured as:
 - A broker annual fee for the duration of the three-year contract.
- Bidders must provide a detailed fee proposal, including:
 - Breakdown of fees for each year of the contract.
 - Any additional costs for value-added services (e.g. risk management workshops, special reports).
 - Justification for the proposed fee structure, demonstrating value for money.
- Brokerage Fee

Year One

(Pricing must be fixed for this period)

Description	Fees (Vat excluded)
Placement- broking risk placement annually	
Contract management service (reporting) annually	
Formulating risk finance and portfolio structuring Annually	
Claims value chain management annually	
Administrative and operations services annually	
VAT	
Total Price	

Year Two

(Pricing must be fixed for this period)

Description	Fees (Vat excluded)
Placement- broking risk placement annually	
Contract management service (reporting) annually	
Formulating risk finance and portfolio structuring Annually	
Claims value chain management annually	
Administrative and operations services annually	
VAT	
Total Price	

Year Three

(Pricing must be fixed for this period)

Description	Fees (Vat excluded)
Placement- broking risk placement annually	
Contract management service (reporting) annually	
Formulating risk finance and portfolio structuring Annually	
Claims value chain management annually	
Administrative and operations services annually	
VAT	
Total Price	

The price used for evaluation of tenders is the price inclusive of all applicable taxes. All applicable taxes certainly will include Value Added Tax (VAT), where applicable, and any other taxes as may be imposed through legislation. Whatever the nature of the tax, it should be included in the price submitted.

6.2 Fee Transparency

- The broker must disclose any additional income (e.g., contingency fees, overrides) received from insurers and obtain municipal approval before accepting such payments.
- Fees must remain fixed for the contract duration unless adjustments are mutually agreed upon due to significant changes in scope or risk profile.

7. Tender Evaluation

- Council is not bound to accept the lowest or any tender.
- The tenderer will be evaluated according to the council's procurement policy.

7.1 Evaluation Criteria

7.1.1 The evaluation of this bid will be conducted as follows.

The assessment of functionality will be done in terms of the evaluation criteria indicated below. A bid will be disqualified if it fails to meet the minimum threshold of (70 %) for functionality as per the bid invitation.

All supporting documents must be submitted at the time of tender submission to enable the bid to be evaluated in accordance with the procedure outlined, the evaluation team will score each tender on the information provided (Please index file accordingly).

Only those qualifying bids (which scored 70% or more) will be evaluated in terms of the 80/20 preference points systems, where the 80 will be used for price only and the 20 for points awarded for specific goals specified for the tender.

7.1.2 Functionality Criteria

Criteria to be used for functionality.

Item	Weight	Points Scored
Company Experience Bidder has successfully undertaken short-term insurance projects <i>(Appointment Letter and Reference letter for each project which should indicate placing public sector clients).</i> <ul style="list-style-type: none"> 1 – 3 projects = 05 4 – 6 projects = 10 7 – 10 projects = 15 11+ projects = 20 	20	
Track record of Clientele – <i>(Experience on the value of contract managed, project to be supported by appointment letter in order to score points)</i> <ul style="list-style-type: none"> Coverage between 0 – R2mil = 03 Coverage between >R2mil – 5mil = 05 Coverage between >R5mil – 10mil = 07 Coverage greater than 10mil = 10 	10	
KEY STAFF COMPETENCE: Project Manager – (CV to be attached). The candidate must possess all the listed requirements to score points. <ul style="list-style-type: none"> Honors Degree in Finance or related IISA Certificate (Fellow & Associate) IRMSA Membership FAIS Accredited (RE 1 & RE 5) Matric (Grade 12) 15 years or more Insurance Experience 	10	
Underwriting Official 1 (CV to be attached). The candidate must possess all the listed requirements to score points. <ul style="list-style-type: none"> Diploma in Accounting or related. Short-Term Insurance NQF 4 FAIS Accredited (RE 5) Matric (Grade 12) 5 years or more Underwriting Experience 	05	
Insurance Claims Technician (CV to be attached). The candidate must possess all the listed requirements to score points. <ul style="list-style-type: none"> Diploma in Accounting or related. Matric (Grade 12) 	05	

<ul style="list-style-type: none"> 3 years or more Commercial Claims Experience 		
Financial Capability <ul style="list-style-type: none"> Bidder must provide a certified (not older than three months) bank rating certificate with bank letter head and stamp (Code A, B, C=05 Code D-E=02 Code F-G or Lower=0 	05	
<ul style="list-style-type: none"> Methodology (Provide a detailed plan with timelines on how the bidder will manage the insurance portfolio of the Municipality in terms of the following). Tenderer proposal on how to negotiate and place the municipality insurance portfolio with insurance underwriters and present the underwriting terms to the municipality acceptance each year. Claims management procedure detailing responsibilities of bidder and Municipality. 	05	
Total	60	
Percentage= Total scored/ Total weight x 100		= $\frac{\quad}{60} \times 100$ = %

The minimum of functionality is 70% for the bidder to move forward for the evaluation on price

The Evaluation criteria is 80/20 where 80 being price and specified goals.

7.2 Points awarded for price.

The 80/20 Preference Point Systems

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

80/20

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

Where.

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{min} = Comparative price of lowest acceptable bid

7.3 Specific Goals Specified for The Tender

Specific Goal	Number of points allocated	Verification documents
Black	5	CSD Report/ ID copies
Women	5	ID copies/CSD report
Youth	5	ID copies/CSD report
Disability	5	Medical Certificate
	20	

8. Conclusion

- 8.1 All the proposal received after the closing date and time will not be considered. Only proposals received on time will go through the process of evaluation and finally adjudication whereby one service provider will be awarded the project. Point scoring is will be done in accordance with the Supply Chain Management Policy.
- 8.2 The contract will be awarded to the tenderer who scores the highest total number of points during the evaluation process, except where the law permits otherwise.
- 8.3 Appointment as a successful service provider shall be subject to the parties agreeing to mutually acceptable contractual terms and conditions (Signing a Service Level Agreement). In the event of the parties failing to reach such agreement municipality reserves the right to appoint an alternative supplier.

Compulsory Municipal Bid Documents

INVITATION TO BID

(a) YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE BA-PHALABORWA LOCAL MUNICIPALITY

BID NUMBER: CLOSING DATE: CLOSING TIME:

DESCRIPTION.....

The successful bidder will be required to fill in and sign a written Contract Form (MBD 7).

BID DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT:

Cnr Nelson Mandela & Sealane Street
Phalaborwa
1390

Bidders should ensure that bids are delivered timeously to the correct address inside the relevant bid box. If the bid is late or not inside the correct bid box, it will not be accepted for consideration.

(b) The bid box is generally open 24 hours a day, 7 days a week.

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

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

(d) NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)

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

NAME OF BIDDER

.....

POSTAL ADDRESS

.....

STREET ADDRESS

.....

TELEPHONE NUMBER

CODE.....NUMBER.....

CELLPHONE NUMBER

.....

FACSIMILE NUMBER CODE

.NUMBER.....

E-MAIL ADDRESS

.....

VAT REGISTRATION NUMBER

.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? (MBD 2)
YES/NO

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE
GOODS/SERVICES/WORKS OFFERED? YES/NO

(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER

.....

DATE

CAPACITY UNDER WHICH THIS BID IS SIGNED

.....

TOTAL BID PRICE.....

TOTAL NUMBER OF ITEMS OFFERED.....

TAX CLEARANCE CERTIFICATE

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 form TCC001 "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. Copies of form TCC 001 are available from any SARS branch office nationally or on the website www.sars.gov.za.
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.
3. 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.
4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
5. 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.
6. Exemption to the provision of a Tax Clearance Certificate will be granted provided that:
 - a) The bidder is registered on the vendor database of the municipality and a valid tax clearance certificate was submitted together with the application for registration
 - b) If the closing date of the price quotation or bid falls within the expiry date of the tax clearance certificate that is in the municipality's possession.

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favoritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorized representative declare their position in relation to the evaluating/adjudicating authority.

3 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, shareholder):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars.
.....

¹MSCM Regulations: "in the service of the state" means to be –

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999); (e) a member of the accounting authority of any national or provincial public entity; or (f) an employee of Parliament or a provincial legislature.

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

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

3.9.1 If yes, furnish particulars.....

.....

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

3.10.1 If yes, furnish particulars.

.....

.....

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

3.11.1 If yes, furnish particulars

.....

.....

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

3.12.1 If yes, furnish particulars.

.....

.....

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

3.13.1 If yes, furnish particulars.

.....

.....

3.14 Do you or any of the directors, trustees, managers,
Principle shareholders, or stakeholders of
this company Have any interest in any
other related companies or
Business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:

.....

.....

(a) 4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

MBD 6.1

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 **To be completed by the organ of state**

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

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

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

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

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

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

80/20 or 90/10

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \mathbf{Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)} \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, 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,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
100% black owned				
Woman				
Youth				
Directors with disability				

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

a) The applicable preference point system for this tender is the 80/20 preference point system.

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

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

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

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

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{\min} = Price of lowest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
 - (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to

determine the applicable preference point system: or

- (b) any other invitation for tender, 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, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

The 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
<ul style="list-style-type: none">• 100% company owned/director/s/shareholders by people who are Black• Woman• Youth• Directors with disability		

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

4.6. I, the undersigned, who is duly authorized to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct.
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct.
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process.
 - (b) recover costs, losses, or damages it has incurred or suffered as a result of that person's conduct.
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favorable arrangements due to such cancellation.
 - (d) recommend that the tenderer or contractor, its shareholders and

directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

- (e) forward the matter for criminal prosecution, if deemed necessary.

.....

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:
DATE:
ADDRESS:

MBD 7.1

CONTRACT FORM - PURCHASE OF GOODS/SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or services described in the attached bidding documents to (name of institution).....in accordance with the requirements and 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 time of 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;
 - Proof of Tax Compliance Status;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - 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 goods and/or works 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 authorized to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1.

2.

DATE:

MBD 7.1

CONTRACT FORM - PURCHASE OF GOODS/SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

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

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE

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 (name of the institution).....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:
 - (iv) Bidding documents, viz
 - Invitation to bid;
 - Proof of tax compliance status;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (v) General Conditions of Contract; and
 - (vi) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1

2

DATE:

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

- 1. I.....in my capacity as..... 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	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

- 4. I confirm that I am duly authorized to sign this contract.

SIGNED AT ON

NAME (PRINT).....

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:

CONTRACT FORM - TENDER FOR INCOME-GENERATING CONTRACTS

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE LESSOR/ SELLER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE LESSOR/ SELLER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to lease property/ purchase all or any of the goods and/or services described in the attached bidding documents from (name of institution)..... in accordance with the requirements stipulated in (bid number)..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the seller during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (vii) Bidding documents, viz
 - Invitation to bid;
 - Proof of tax compliance status;
 - Pricing schedule(s);
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Special Conditions of Contract;
 - (viii) General Conditions of Contract; and
 - (ix) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) quoted covers the leased property/ all the goods and/or services specified in the bidding documents; that the price(s) cover all my obligations and I accept that any mistakes regarding price(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 undertake to make payment for the leased property/ goods/services as specified in the bidding documents.
6. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
7. I confirm that I am duly authorised to sign this contract. NAME (PRINT)
CAPACITY
SIGNATURE
NAME OF FIRM
DATE

WITNESSES

1

2

DATE:

¹ “Tender for income-generating contracts” has the same meaning as defined in the Preferential Procurement Regulations, 2022.

MBD 7.3

CONTRACT FORM - TENDER FOR INCOME-GENERATING CONTRACTS

PART 2 (TO BE FILLED IN BY THE LESSOR/ SELLER)

1. I..... in my capacity as.....accept your bid under reference numberdated.....for the leasing of property/ purchase of goods/services indicated hereunder and/or further specified in the annexure(s).
2. I undertake to make the leased property/ goods/services available in accordance with the terms and conditions of the contract.

ITEM NO.	DESCRIPTION	PRICE (ALL APPLICABLE TAXES INCLUDED)	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

3. I confirm that I am duly authorized to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

3.

4.

DATE

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <p><input type="checkbox"/></p>	<p>No</p> <p><input type="checkbox"/></p>
4.1.1	If so, furnish particulars:		

4.2	<p>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)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	<p>Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME).....
 CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND
 CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN
 AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, On behalf of: _____
that: (Name of Bidder)

1. I have read and I understand the contents of this Certificate.
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect.
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder.
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder.
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder.
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

- (a) prices;
- (b) geographical area where product or service will be rendered (market allocation);
- (c) methods, factors or formulas used to calculate prices;
- (d) the intention or decision to submit or not to submit a bid;
- (e) the submission of a bid which does not meet the specifications and conditions of the bid;
- or (f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder



BA-PHALABORWA MUNICIPALITY

Fraud and Corruption Declaration Form

I (Name) _____ duly authorized to act on behalf of (Company name) _____ hereby declare to Ba-Phalaborwa Municipality that the company:

- a. it has declared to Ba-Phalaborwa Municipality any circumstances that could give rise to a conflict of interest or potential conflict of interest in relation to the current procurement action;
- b. None of the directors of the company is employed by the state;
- c. The company is not blacklisted by the national treasury;
- d. Has not negotiated or tried to negotiate with any municipal official to try to gain information or preference to win the bid, if found the bidder's details will be submitted to national treasury for blacklisting of the company;
- e. it has not granted and will not grant, has not sought and will not seek, has not attempted and will not attempt to obtain, and has not accepted and will not accept any direct or indirect benefit (financial or otherwise) arising from a procurement contract or the award thereof;
- f. all the information submitted in the bid is truthful and there is no misrepresentation;
- g. it adheres to the Prevention and Combating of Corrupt Activities Act 12 of 2004;
- h. it is solvent and in a position to continue doing business for the period stipulated in the contract after contract signature, if awarded a contract by Ba-Phalaborwa Municipality;
- i. it has zero tolerance to Fraud and Corruption and has appropriate procedures in place to prevent and respond to Fraud and Corruption in line with the legislation.

The Company understands that a false statement or failure to disclose any relevant information.

which may impact upon Ba-Phalaborwa Municipality's decision to award a contract may result in the disqualification of the company from the bidding exercise and/or the withdrawal of any offer of a contract with Ba-Phalaborwa Municipality. Furthermore, in case a contract has already been awarded, Ba-Phalaborwa Municipality shall be entitled to rescind the contract with immediate effect, in addition to any other remedies which the municipality may have by contract or by law.

Company Name:

.....

Name and Title of duly authorized representative.

Name:

Date: Title:

Signature:

Witness

Name: Signature Date:

