



HARRY GWALA DEVELOPMENT AGENCY (PTY) LTD

2011/001221/07

Harry Gwala Farmers Market, Erf 2226

Portion 27 of the Farm Ellerton, IXOPO 3276

Website: www.hgda.co.za

INVITATION TO QUOTE

CONDITIONAL ASSESSMENT OF IMMOVABLE ASSETS

QUOTE NO: HGDA-0016-2022/2024

ADVERTISEMENT

Bids are hereby invited from suitably qualified service providers to quote for “**CONDITIONAL ASSESSMENT OF IMMOVABLE ASSETS**”. The Bid will be evaluated in terms of Functionality, Price and Preferential Specific goals.

AVAILABILITY OF DOCUMENTS

The Bid documents can be downloaded from the Harry Gwala Development Agency (Pty) Ltd website www.hgda.co.za at no cost.

Returnable documents

Bidders to attach the following returnable documents to be considered for this bid.

- Price(s) quoted must be valid for at least ninety (90) days from date of your offer.
- Price(s) quoted must be firm and must be inclusive of Vat.
- The **quote** must be submitted on a separate page containing the letterhead of your business.
- MBD 1, MBD 4, MBD 6.1, MBD 8 and MBD 9 must be completed and submitted together with your quotation.
- Valid Tax Clearance certificate OR Tax compliant status with verification pin.
- Certified copy of B-BBEE certificate or Sworn Affidavit
- Central Supplier Database summary report
- Company Registration Document.
- Certified copies of ID for Company Directors or Members.
- A copy of the most recent municipal accounts in which the business is registered. District municipality (Water and Sanitation) and/or Local municipality (rates, refuse and other services) or letter from traditional authority stating that you are staying in rural areas and that you don't pay for rates or lease agreement indicative that rates is inclusive and that business (where applicable) is run from this property. This is required for the Director/s and the company.

NB: No quotations will be considered from persons in the service of the state or persons who owe rates, services, and taxes to any Municipality for a period longer than 90 days.

The evaluation of this bid will be done in two stages in the following manner:

- First Stage - Functionality
 - Second Stage - Price and Preferential Specific Goals
- ❖ 80/20 Preferential Point system in terms of the 2022 Preferential system will apply and points will be awarded based on the entity's specific goals that is on ownership and RDP goals.
- Preferential Goal 1 and Preferential Goal 2

PREFERENCE GOAL	80/20	Documents required for verification
GOAL 1 - Ownership – Maximum points	10	
Business owned more than 50% by black person	3	ID copy of Director/Owner/CSD/ BBB-EE Certificate
Business owned less than 50% by black person	1	
Business owned more than 50% by black women	3	ID copy of Director/Owner and CSD
Business owned less than 50% by black women	1	
Business owned more than 50% by black youth	2	ID copy of Director/Owner and CSD
Business owned less than 50% by black youth	1	
Business owned more than 50% by disabled person	2	Attach proof from a registered doctor/physician for a bidder to obtain full points
GOAL 2 – RDP – Maximum points	10	
Business falls under the SMME category – EME	3	Detailed CSD Report
Promotion of business located within Harry Gwala Development Agency	4	- Detailed CSD Report - Municipal account not older than 90 days - Lease agreement and affidavit if you are leasing - Affidavit if you residing in rural area
Promotion of business located within KZN province	3	- Detailed CSD Report - Municipal account not older than 90 days - Lease agreement and affidavit if you are leasing - Affidavit if you residing in rural area
Promotion of business located in South Africa outside KZN Province	1	


Harry Gwala Development Agency (Pty) Ltd does not bind itself to accept the lowest or any bid and reserves the right to accept the Bid in whole or part, at the rates quoted.

CLOSING DATE: 03 MAY 2023

Bid documents must be submitted in a sealed envelope clearly marked “**CONDITIONAL ASSESSMENT OF IMMOVABLE ASSETS**” and closing date, can be dropped off in the **TENDER BOX** at **Harry Gwala Development Agency Offices, Farmers Market, Erf 2226 Portion 27, Ellerton Farm, Ixopo, 3276** by no later than **03 May 2023 before 12h00**

Late or faxed bids will not be accepted and the Harry Gwala Development Agency reserves the right not to make an appointment. Failure to comply with the above conditions will invalidate your offer.

Technical Enquiries: Budget and Treasury: Ms P Nkosi or (072 420 0652 or email: phumzile.nkosi@hgda.co.za), Supply Chain Management enquiries: SCM Practitioner: Ms N Malunga (073 053 7034 or email: neliswa.malunga@hgda.co.za)



MS A.C.R. WHYTE
CHIEF EXECUTIVE OFFICER
NOTICE NO: 31-22/23



HARRY GWALA DEVELOPMENT AGENCY(PTY) LTD

2011/001221/07

Harry Gwala Farmers Market, Erf 2226

Portion 27 of the Farm Ellerton, IXOPO 3276

Website: www.hgda.co.za

INVITATION TO QUOTE

CONDITIONAL ASSESSMENT OF IMMOVABLE ASSETS

QUOTE NO: HGDA-0016-2022/2024

NAME OF BIDDER:	
TELEPHONE/CELLPHONE NO:	
FAX NO:	
EMAIL ADDRESS	
ADDRESS:	
QUOTE SUM (ALL INCLUSIVE) (in words):	
QUOTE SUM (ALL INCLUSIVE) (numerical):	

1. INTRODUCTION

The objectives of the Municipal Finance Management Act, 2003 are to secure accountability and to regulate financial management in the Public Sector by ensuring that Revenue, Expenditure, Assets and Liabilities are managed efficiently and effectively.

Section 63 (1) (a) of the MFMA assigns responsibility to the Accounting Officer for the management, including the safeguarding and the maintenance of the assets, while section 63 (2) (c) requires the maintaining of a system of internal control of Assets including an asset register.

One of the major requirements of good internal control is to safeguard assets. Best practice requires that assets be appropriately secured and maintained, used for the purposes intended, periodically accounted for, and properly disposed of.

2. PURPOSE AND OBJECTIVE

The objective of this bid is to appoint a recognized service provider, with competent and skilled personnel that can provide an appropriate asset management service. The successful bidder will work closely with asset management unit and shall report to the Chief Financial Officer

3. SCOPE AND EXTENT OF WORK (TERMS OF ENGAGEMENT/SPECIFIC SYSTEM REQUIREMENTS)

Proven, substantiated track record /experience in asset management and the compilation and review of fixed assets registers in terms of the GRAP accounting standards at local government level. Proven, substantiated track record /experience in conducting conditional assessment and assessing for impairment.

Thorough knowledge of and conversant with the following:

- Applicable accounting standards in local government including but not limited to GRAP, IFRS
- Local government legislation and circulars
- Department of Provincial and Local Government Comprehensive Infrastructure Plan
- At least 3 years' experience in compiling municipal GRAP compliant asset registers.
- At least 3 years' experience in conducting conditional assessment on assets.
- Curriculum vitae of key staff to be engaged on this project, detailing municipal experience, GRAP experience, Municipal accounting and auditing experience
- Curriculum vitae of key staff to be a qualified engineer with expertise on conditions assessments of immovable assets.

- Team to demonstrate hands on accounting and auditing experience in municipalities.
- Must demonstrate ability of reconciling and balancing of the asset registers, general ledger and Annual Financial Statement
- Must compile and document working paper both hard and soft copies for audit purposes
- Plan and methodology regarding the transfer of skills and training of staff within the asset management section
- Must have an electronic system used for conditional assessment and data storage
- Rates based on competency and experience of the project team

4. EXPECTED OUTCOMES

The Service Provider is expected to provide a report on the assessment of the conditions of the immovable assets management of the Harry Gwala Development Agency.

5. PROJECT TIMEFRAME

The contract is for the period of four months commencing from the date awarded but can be terminated when there is proof of underperformance or substandard.

6. EVALUATION CRITERIA

The evaluation criteria will be two stages in terms of Preferential Procurement Act. The first stage will be on functionality and final stage will be on price. Tenderer who scores less than 70% on functionality will be deemed non-responsive and will be disqualified. Only Tenderers who scores 70% or above will qualify for stage two evaluation

➤ **Stage 1 of the evaluation criteria:**

Criteria	Basis of allocation	Point allocation	Verification Method
Methodology	Detailed approach with project plan and clear skills transfer plan	10	Attached a detailed methodology
	Detailed approach with project plan	5	
	No detailed approach	0	
Experience of the business in Preparation of GRAP compliant Asset Register	5 appointment letters/orders with reference letters = 50 points.	50	Attach signed appointment letter with reference letters for experience with contacts.
	4 appointment letters/orders with reference letters = 40 points.		
	3 appointment letters/orders with reference letters = 30 points.		
	2 appointment letters/orders with reference letters = 20 points.		
	1 appointment letter/orders with reference letter = 10 points.		
	No appointment and reference letter = 0 points		
Certification of Project Manager	The project leader must be a qualified chartered CA(SA) and registered with professional bodies.	10	Certified copy of certification
Certification of Project Engineer	The project leader must be a register engineer with ECSA.	10	Certified copy of certification
Experience of project manager in the Preparation of GRAP compliant Asset Register	10 years +	20	Detailed CV contactable references
	6-9 years	10	
	3-5 years	5	

**MBD 1
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ENTITY)

BID NUMBER: **HGDA-0016-2022/2024**
CLOSING TIME: **12H00**

CLOSING DATE: **03 MAY 2023**

DESCRIPTION: **CONDITIONAL ASSESSMENT OF IMMOVABLE ASSETS**

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

DEPOSITED IN THE BID BOX SITUATED AT (*STREET ADDRESS*)

**RECEPTION AREA,
HARRY GWALA DEVELOPMENT AGENCY,
FARMERS MARKET, PORTION 27 OF THE FARM ELLERTON, ERF 2226,
IXOPO 3275**

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

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

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

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

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1)
YES/NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL
ACCREDITATION SYSTEM (SANAS)

A REGISTERED AUDITOR

(Tick applicable box)

**(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO
QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)**

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE
GOODS/SERVICES/WORKS OFFERED ? YES/NO (IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER

DATE

CAPACITY UNDER WHICH THIS BID IS SIGNED.....

TOTAL BID PRICE.....

TOTAL NUMBER OF ITEMS OFFERED

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

CONTACT PERSON: MISS N MALUNGA

DEPARTMENT: SUPPLY CHAIN MANAGEMENT

Tel: 073 053 7034

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:


CONTACT PERSON: MISS P NKOSI

DEPARTMENT : FINANCIAL REPORTING

Tel: 072 420 0652

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

DESCRIPTION	QUANTITY	AMOUNT
		
	SUB-TOTAL	
	VAT (15%)	
	TOTAL	

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

CONDITIONS OF TENDER

- Price(s) quoted must be valid for at least ninety (90) days from date of offer for evaluation purposes.
- Price(s) quoted must be firm and include VAT
- Tenderers original valid tax clearance certificate must be attached.
- Tender original or certified B-BBEE Certificate must be attached to the document
- Tender documents signed by a person who does not have authority to sign will be disqualified.
- Tenderers who did not complete the compulsory questionnaire, who abuse the employer’s supply chain management system will not be conceded
- Non-collusion affidavit to be executed by bidder and submitted with the bid.

DECLARATION OF INTEREST

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

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

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

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, hareholder²)

3.4 Company Registration Number:

3.5 Tax Reference Number.....

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholder’s 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:

.....
.....

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

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

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

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

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

1. GENERAL CONDITIONS

- 1.1 The following preference point 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).

- 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 OR 90/10 PREFERENCE POINT SYSTEMS

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

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

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:

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

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 (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
GOAL 1 - Ownership – Maximum points	10	
Business owned more than 50% by black person	3	
Business owned less than 50% by black person	1	
Business owned more than 50% by black women	3	
Business owned less than 50% by black women	1	
Business owned more than 50% by black youth	2	
Business owned less than 50% by black youth	1	
Business owned more than 50% by disabled person	2	
GOAL 2 – RDP – Maximum points	10	
Business falls under the SMME category – EME	3	
Promotion of business located within Harry Gwala District	4	
Promotion of business located within KZN province	3	
Promotion of business located in South Africa outside KZN Province	1	

DECLARATION WITH REGARD TO COMPANY/FIRM

- 4.3. Name of company/firm.....
- 4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM [TICK APPLICABLE BOX]

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

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:

.....

.....

.....

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?</p> <p>(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>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	<p>If so, furnish particulars:</p>		

4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <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.

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