



## REQUEST FOR QUOTATION (RFQ)

(Over R30 000 up to a transaction value of R1 000 000 VAT included)

### APPOINTMENT OF AN AUCTIONEER FOR THE DISPOSAL OF THE LIMPOPO TOURISM AGENCY'S ICT AND FURNITURE ASSETS

RFQ NO: LTAQ012-21/22

Kindly furnish us with a written quotation as detailed in the enclosed schedule.

The quotation must be submitted on the letterhead of your business and submitted into the quotation box not later than **03 SEP 2021 @ 12H00 AT THE LTA'S QUOTATION BOX.**

**The following conditions will apply:**

- 1) Price(s) quoted must be valid for at least sixty (60) days from date of your offer.
- 2) Price(s) quoted must be firm and inclusive of VAT.
- 3) A firm delivery period must be indicated.
- 4) These quotations will be evaluated in terms of the 80/20 preference point system as prescribed in the Preferential Procurement Regulations (2017) and for this purpose the enclosed forms SBD 4, SBD 6.1, SBD 8 & SBD 9 must be scrutinized, completed and submitted together with your quotation.
- 5) The successful provider will be the one scoring the highest points in terms of the Preferential Procurement Regulations (2017)
- 6) Limpopo Tourism Agency Reserves the right to appoint more than one (01) Service Provider

**ISSUED BY:**

THE CHIEF EXECUTIVE OFFICER  
LIMPOPO TOURISM AGENCY  
P.O. BOX 2814  
POLOKWANE  
0700

Tel: (015) 293 3600 Fax: (015) 293 3651

**CONTACT PERSON**

Mr Peter Maila

Tel: (015) 293 3722 / 071 428 8767

E-mail: [peterm@golimpopo.com](mailto:peterm@golimpopo.com)

**Name of Bidder:** \_\_\_\_\_

**BID AMOUNT:** R \_\_\_\_\_



## TERMS OF REFERENCE/SPECIFICATIONS

### 1. INTRODUCTION

Limpopo Tourism Agency is a schedule 3c PFMA entity established in terms of Section 5 of the Limpopo Tourism Act of 2009, as repealed, to amongst others promote and offer a sustainable and diverse tourism experience through strategic marketing (destination marketing) and support and facilitate tourism development programmes, collaborations with stakeholders and sector transformation.

### 2. OBJECTIVE

Invitation to suitable service providers to submit proposals for the appointment of an auctioneer for the Limpopo Tourism Agency (LTA). The entity wishes to comply with the provisions of the Public Finance Management Act (PFMA).

### 3. BACKGROUND

The Entity is having number of assets that are unserviceable and redundant that requires being disposed, hence the need to appoint an auctioneer.

### 4. THE SUCCESSFUL BIDDER WILL BE EXPECTED TO EXECUTE AND CONDUCT THE FOLLOWING TASKS FOR THE ENTITY:

The auctioneer is responsible for advertising the sale in the public press in English and depending on the target group, advertisements may also be in other languages as well and proof of such adverts must be submitted to the Entity. The cost of the advertisements is solely the responsibility of the auctioneer and the Entity will not be held liable for the advertising costs including all other expenditure on advertisements such as handbills, posters, etc.

## 4.1 CONDITIONS

- 4.1.1 Advertisements must be placed timeously in order to afford interested customers who may be resident elsewhere the opportunity to attend auctions.
- 4.1.2 Draft copies of the proposed advertisement are to be submitted to the Entity for approval and publication is to be arranged in consultation with the Entity.
- 4.1.3 The auctioneer will be responsible for the sorting of the items into lots. If extra personnel are required, it will be for the expense of the auctioneer.
- 4.1.4 The auctioneer will be responsible to provide security to safeguard the items while preparing for auction and until all items have been removed from the premise of the Entity. This will be for the expense of the auctioneer.
- 4.1.5 The auctioneer will be responsible to arrange additional security on the day of the auction.
- 4.1.6 The auction shall be conducted at the time and place indicated by the Entity in consultation with the auctioneer.
- 4.1.7 The goods to be sold may be viewed by the public during such times and dates as specified by the Entity at least one day before the sale.
- 4.1.8 At the commencement of the sale the auctioneer shall announce the conditions of sale, as prescribed in English by the Entity. No additional conditions that are contradictory to these conditions shall be made or announced.
- 4.1.9 Auctions shall be conducted in English.
- 4.1.10 On the day of the auction the auctioneer shall be at the auction site at least two (2) hours before commencement of the auction, to register prospective buyers.
- 4.1.11 The auctioneer shall at all auctions be assisted by at least two competent clerks at own expense.
- 4.1.12 The auctioneer shall provide a public address system in good working order wherever and whenever requested by the Entity.
- 4.1.13 All auctions and transactions shall be conducted in the RSA currency.

- 4.1.14 The net proceeds of each auction shall be paid to the Entity within twenty-four (24) hours after the auction, in cash or by means of EFT transfer. The value of the payment shall be the gross amount realized from the auction less commission (VAT on the commission earned, included) and advertising costs.
- 4.1.15 The Entity's auction list/catalogue shall be supplemented by the auctioneer with the following:
- The names and addresses of the purchasers (if required by the Entity).
  - The amount realized for each lot.
  - The gross amount realized.
  - The right is reserved by the Entity to cancel the auction at any time.
- 4.1.16 The auctioneer shall inspect all goods before the commencement of the auction to ensure that lot numbers and descriptions are correct and acquaint himself/herself with the condition of the goods. Buyers should take note that lots are sold "voetstoots" and that no claims will be considered by virtue of incorrect description, quantity, quality, condition or any other grounds.
- 4.1.17 All prospective buyers shall be registered by the auctioneer. Where applicable, registration shall occur after payment of a registration fee, determined by the Entity in co-operation with the auctioneer.
- 4.1.18 The auctioneer is responsible for obtaining payment from the purchaser(s) before completion of the auction. The auction will be considered as completed two hours after the last bid has been knocked down or as determined by the entity's representative providing the extended period falls on the same day of the auction.
- 4.1.19 The registration fee shall be repaid by the auctioneer at the end of the auction, if nothing was bought by the buyer concerned or may be deducted from the amount payable by the buyer. An unclaimed registration fee at the end of the auction falls to the Entity. Registration fees must be recovered within 14 working days after the auction has been completed.
- 4.1.20 The auctioneer shall only knock down a bid for a registered buyer. Buyers should take note that ownership of the goods sold, and risk shall pass to

the buyer as soon as payment for the purchase has been received. Goods will be released by the entity's representative only after payment has been received and upon production of an auctioneer's receipt of sales slip.

4.1.21 The procedures to be followed regarding the removal of goods sold at auction sales are explained in the Condition of Sale.

4.1.22 In cases of unsatisfactory performance by contractors, the Entity is entitled to take corrective steps for example to cancel the contract and make alternative arrangements for the rendering of the service. Should these steps result in a loss of income or additional costs to the Entity, the Entity is entitled to claim damages, retain security or impose a penalty.

4.1.23 The auctioneer or his/her representative may bid or buy on an auction on condition that he/she is registered as a buyer and indicates to the other buyers that he/she is bidding on a lot.

4.1.24 The auctioneer is responsible for the payment of VAT on the commission earned and the payment thereof to the South African Revenue Services.

4.1.25 The auctioneer shall not be part or party to a "Ring". Should any active association with a "Ring" be proved to the satisfaction of the Entity, the contract with the auctioneer may be cancelled with immediate effect.

4.1.26 The term "Ring" means the grouping together of prospective buyers who manipulate prices as well as other buyers to take part in the auction.

The following conditions, regarding the removal of goods must be brought under the attention of the buyers:

- All lots must be removed by the buyer "*in toto*" within seven (5) working days of the date of the sale on his/her own risk and cost. If for any reason acceptable to the Entity he/ cannot remove the lots within the prescribed working days, extension may be granted by the Entity.
- If the buyer fails to take possession of the goods within the time specified herein, the Entity has the right to, without further communication, confiscate and dispose of the goods as it may deem fit, without any reimbursement to the buyer. If the buyer wishes to take possession of

the goods after the expiry of the period of retrieval, the Entity can grant approval.

4.1.27 Nothing herein contained shall be construed as affecting the right of the Entity to sell any goods out of hand or by quotation as may be deemed fit.

4.1.28 The Entity's representative at the auction sale has the right to settle any disputes on the decision to withdraw articles for which no suitable prices are obtained, at his/her discretion.

**4.1.29** Provision must be made for buyers to pay before the end of the auction without interrupting the auction. **Receipts will only be issued to registered buyers.**

4.1.30 All monies received at the auction shall be recorded in a receipt book in triplicate. The original and first copy shall be furnished to the buyer and the Entity's respectively.

4.1.31 The auctioneer is to note that any quotation which is not accompanied by all the information called for, or which is not properly completed or signed, may be disregarded.

#### **CONDITIONS OF ADVERTISING**

1. The auctioneer is responsible for advertising the auction however the format of the advertisement is determined by the Entity.
2. The following information should reflect in the advertisement:
  - (a) All auctions are to be advertised as a State Auction;
  - (b) Venue
  - (c) Date;
  - (d) Time;
  - (e) Description of goods to be sold;
  - (f) Viewing: Date and time;

- (g) Special conditions applicable to the sale e.g. whether a deposit will be levied or not; and
  - (h) Enquiries.
4. A draft advertisement is to be submitted to the Entity for approval before publication.
  5. It is essential that a target group of buyers is identified before each auction.
  6. Proof of the advertisement must be provided to the Entity.

### **CONDITIONS OF SALE**

#### **TO BE READ OUT IN ENGLISH BY THE AUCTIONEER BEFORE COMMENCEMENT OF THE SALE**

1. The right of admission is reserved.
2. The Entity shall, at any time, have the right to stop the auction, or to withdraw a lot, or lots, or part of a lot, without providing reasons.
3. The buyer shall be the highest bidder. Should any dispute arise between two or more bidders, the lot or lots shall be put up again and resold or in consultation with the entity's representative the auctioneer may declare the buyer.
  - (a) Lots may be grouped, or any lot may be divided at the discretion of the entity's representative, provided buyers have no objection.
  - (b) The order or sequence in which the lots will be sold may be changed at the discretion of the entity's representative, provided buyers have no objection.
4. The officer who attends the auction on behalf of the Entity shall have the right, if necessary, to stop the auction or to withdraw any lot or lots if satisfactory bids are not obtained or to sell any lot or lots provisionally, subject to confirmation before the end of the auction.

5. The auctioneer reserves the right to demand payment from a buyer once the bid has been knocked down.
6. Should a buyer abscond after a bid has been knocked down to him and payment is not received, the buyer shall forfeit the deposit and the lot concerned may be sold to another buyer at the same price after expiry of the maximum time of two hours allowed for payment after the last bid. At the discretion of the entity's representative the maximum time may be extended but not later than the day on which the auction takes place.
7. In these instances, the registered buyer forfeits the registration fee and the fee falls to the State.
8. Goods are sold "voetstoots" and no claims will be considered by the Entity by virtue of incorrect description, quantity, inferior quality, condition, or any other grounds whatsoever. No guarantees will be given in this regard. Prospective buyers are therefore advised to inspect the lots or have the goods inspected before an offer is made. A bid shall be taken as proof that the bidder has acquainted him/herself with the condition of lots for which she/he bids.
9. As soon as a lot has been knocked down for a registered buyer, the risk shall pass to the buyer as soon as payment for the purchase has been received and no complaints will be considered thereafter.
10. Lots purchased, may be removed at a time determined by the Entity. The release of any lots purchased will only be given by the entity's representative upon producing of the auctioneer's sales slip, in duplicate. The duplicate delivery note, signed by the buyer or his representative, will be retained by the Entity as proof of delivery.
11. All vehicles, driven-, general- and electrical machinery, governed by the Occupational Health and Safety Act, Act 85 of 1993, which is sold by the Entity are sold as is "Voetstoots" without any maintenance documentation and must be considered as scrap in terms of sec 10(4) of aforementioned Act.



12. All lots must be removed by the buyer "*in toto*" within seven (7) working days of the date of the sale on his own risk and cost. If for any reason acceptable to the Entity he/she cannot remove the lots within the prescribed working days, extension may be granted by the Entity.
13. If the buyer fails to take possession of the goods within the specified time herein, the Entity has the right to, without further communication, confiscate and dispose of the goods as it may deem fit, without any reimbursement to the buyer. If the buyer wishes to take possession of the goods after the expiry of the period of retrieval the Entity can grant approval, provided that the storage costs have been paid, as well as the storage costs for any extended periods.
14. Buyers may attend either personally or be represented to supervise the loading of their lot or lots, but it must be distinctly understood that no complaints will be entertained after each lot has been knocked down.
15. The Entity is under no obligation to provide an assistance with the loading or removal of goods purchased.
16. Buyers, their representatives and workmen, their vehicles and equipment, will be allowed on the Entity's premises at their own risk. The Entity accepts no responsibility for their safety or for the safety of their property.
17. No buyer, his representative or workmen will be permitted to remain on Entity's premises at times other than the Entity's normal working hours.
18. Buyers are not permitted to enter into any transaction on Entity's premises for the resale of any goods purchased at the sale.
19. Payment will be accepted by the auctioneer in **cash or EFT transfer only**.



## “FORM B”

### EVALUATION METHODOLOGY

In accordance with the Preferential Procurement Regulations, 2017, the bid evaluation process shall be carried out in three Phases namely:

- Phase 1 : Administrative Compliance
- Phase 2 : Evaluation on Functionality
- Phase 3 : Evaluation in terms of Price and Preference Point Systems

**1. Phase 1: Administrative Compliance** (Submission of compulsory proposal requirements by bidders and compliance to specification.)

The first phase of evaluation is checking and verification of all mandatory documents to be submitted by the bidders and compliance to specification.

**If any of the following Bid Forms are not completed and signed or handed in with your proposal on closing date and time, your proposal will be immediately disqualified.**

- **SBD 3.1** (Pricing Schedule) Make sure it is completed
- **SBD 4** (Declaration of Interest) Make sure it is signed.
- **SBD 6.1** (Preference claim form) Certified copy of BBBEE certificate to be submitted. Failure to submit, bidders will forfeit BBBEE Level of Contributions Points;
- **SBD 8** (Declaration of Bidder’s past supply chain management practices) Make sure it is signed.
- **SBD 9** ( Bid rigging) Make sure it is completed and signed.

**Only Certified copies or original documents will be accepted.**

- **PLEASE NOTE:**
  - a) the bidder or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector;
  - b) the bidder has not:
    - i) abused the Supply Chain Management System; or
    - ii) failed to perform on any previous contract and has been given a written notice to this effect;
  - c) All corrections and scratching are initialled;

- d) Completion of the bid document using pencil not allowed, **BID DOCUMENT TO BE COMPLETED IN BLACK INK;**
- e) Scratching are done by putting a straight line through the corrected items;
- f) **THE USE OF CORRECTION FLUID WILL AUTOMATICALLY INVALIDATE YOUR BID;**
- g) Alterations to the bid document or submission of a copy of the original bid document will invalidate the bid;

**Bidders that do not comply with the bid requirements may be regarded as non-responsive and may be disqualified.**

## 2. Phase 2: Functionality

The assessment on functionality will be done in terms of the evaluation criteria and minimum threshold as specified. The minimum qualifying score for functionality is **60%** as set out below. Bidders who fail to achieve the minimum qualifying score on functionality will be disqualified for further evaluation of price and B-BBEE status.

**Functionality assessment should be allocated as follows:**

<b>FUNCTIONALITY CRITERIA</b>			
	<b>COMPONENTS</b>	<b>Weighting</b>	
<b>A</b>	<b>FINANCIAL ABILITY</b>		<b>20</b>
	Submission of letter from the Bank (we reserve the right to verify)		
	Bank rating A	20	
	Bank rating B	15	
	Bank rating C	10	
	Bank rating D	05	
	Banking rating E downwards	0	
<b>B</b>	<b>COMPANY'S EXPERIENCE (Detailed company's profile must be submitted)</b>		<b>30</b>
	Bidder's proven competency in rendering the similar service, extensive knowledge of the project with evidence relating to the provision of Auction Services		
	<ul style="list-style-type: none"> <li>• 08+ Years</li> <li>• 6-7 Years</li> <li>• 4-5 years</li> <li>• 3-4 Years</li> <li>• 0-2 Years</li> </ul>	15 12 10 08 05	
	Provide reference letters on valid letters that prove experience of the organization in providing Auction services		
	<ul style="list-style-type: none"> <li>• More than three reference letters</li> <li>• three reference letters</li> </ul>	15 10	

	<ul style="list-style-type: none"> <li>less than three reference letters</li> </ul>	05	
<b>C</b>	<b>PREVIOUS SIMILAR PROJECT EXECUTED</b>		<b>20</b>
	<ul style="list-style-type: none"> <li>100 000 or more</li> <li>Less than R100 000</li> <li>Below R50 000</li> <li>Below R20 000</li> <li>Below R5 000</li> </ul>	20 15 10 05 0	
<b>D</b>	<b>Experience of the key personnel who will be conducting the auction</b>		<b>30</b>
	<ul style="list-style-type: none"> <li>5 Years and more</li> <li>4 Years</li> <li>3 Years</li> <li>2 Years</li> <li>1 Year</li> </ul>	30 25 20 10 05	
<b>TOTAL</b>			<b>100</b>

The minimum qualifying score for functionality is **60%**.

### 3. Phase 3 : Evaluation in terms of Price and Preference Point Systems

Only bids that achieve the minimum qualifying score/percentage for functionality will be evaluated further in accordance with the 80/20 preference point system prescribe in Preferential Procurement Regulations 6 and 7.

#### Step 1: Calculation of Points for Price

- 1) The PPPFA prescribes that the lowest acceptable bid will score 80 points for price. Bidders that quoted higher prices will score lower points for price on a pro-rata basis.
- 2) **When calculating prices:**
  - a) Unconditional discounts will be taken into account for evaluation purposes; and
  - b) Conditional discounts will not be taken into account for evaluation purposes but would be implemented when payment is affected.
- 3) The formulae to be utilized in calculating points scored for price is as follows:

**80/20 Preference point system (for acquisition of goods or services for a Rand value equal to or above R30 000 and up to R50 million) (all applicable taxes included)**

Where:

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

Ps= Points scored for price of tender under consideration.

Pt= Price of tender under consideration.

Pmin= Price of lowest acceptable tender.

4) Points scored must be rounded off to the nearest 2 decimal places.

**Step 2: Calculation of points for B-BBEE status level of contributor**

Points will be awarded to a bidder for attaining the B-BBEE status level of contributor in accordance with the table below:

B-BBEE STATUS CONTRIBUTOR	LEVEL	NUMBER OF POINTS (80/20 SYSTEM)
1		20
2		18
3		14
4		12
5		8
6		6
7		4
8		2
<b>Non-compliant</b>		0

**Calculation of total points scored for price and B-BBEE status level of contributor.**

The points scored for price will be added to the points scored for B-BBEE status level of contributor to obtain the bidders' total points scored out of 100.



SBD 3.1

## PRICING SCHEDULE

The Service Provider is to provide the following in the quotation:

<b>% COMMISSION</b>
_____ %

Company Name: \_\_\_\_\_

Signature of Bidder: \_\_\_\_\_

Date: \_\_\_\_\_



### DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

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

2.2 Identity Number: .....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>):  
.....

2.4 Company Registration Number: .....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

<sup>1</sup>“State” means -

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

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

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

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: \_\_\_\_\_

Name of state institution at which you or the person connected to the bidder is employed : \_\_\_\_\_

Position occupied in the state institution: \_\_\_\_\_

Any other particulars:

\_\_\_\_\_

\_\_\_\_\_

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

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

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

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

\_\_\_\_\_

\_\_\_\_\_

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

2.8.1 If so, furnish particulars:

\_\_\_\_\_

\_\_\_\_\_

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

2.9.1 If so, furnish particulars. \_\_\_\_\_



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

2.10.1 If so, furnish particulars.  
 .....  
 .....  
 .....

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

2.11.1 If so, furnish particulars:  
 .....  
 .....  
 .....

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

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

**4 DECLARATION**

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

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

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

.....  
 Signature

.....  
 Date

.....  
 Position

.....  
 Name of bidder



SBD 6.1

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

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

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

### 1. GENERAL CONDITIONS

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

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

1.2

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

1.3 Points for this bid shall be awarded for:

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

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

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

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor

together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

## 2. DEFINITIONS

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

## 3. POINTS AWARDED FOR PRICE

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

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

**80/20**

**or**

**90/10**

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

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

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

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

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

**5. BID DECLARATION**

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

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

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

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

**7. SUB-CONTRACTING**

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

**(Tick applicable box)**

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 If yes, indicate:

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

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

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

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

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

**8.4 TYPE OF COMPANY/ FIRM**

- Partnership/Joint Venture / Consortium
- One person business/sole propriety

- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a

result of that person's conduct;

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

WITNESSES
1. ....
2. ....

.....
SIGNATURE(S) OF BIDDERS(S)
DATE: .....



SBD 8

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

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	<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?  <b>(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).</b></p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) 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	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)?  <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	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 outside of 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:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

### CERTIFICATION

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**



## SBD 9

### CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> 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).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> 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.



**SBD 9**

### **CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

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

I certify, on behalf of:

\_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and

- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
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 consortium<sup>3</sup> 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.

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



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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

Js914w 2



## SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE

I, the undersigned,

<b>Full name &amp; Surname</b>	
<b>Identity number</b>	

**Hereby declare under oath as follows:**

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a member/director/owner of the following enterprise and duly authorised to act on its behalf:

<b>Enterprise Name</b>	
<b>Trading Name</b>	
<b>Registration Number</b>	
<b>Enterprise Address</b>	

3. I hereby declare under oath that:
  - The enterprise is \_\_\_\_\_% black owned;
  - The enterprise is \_\_\_\_\_% black woman owned;
  - Based on the management accounts and other information available on the \_\_\_\_\_ financial year, the amount did not exceed R10,000,000.00 (ten million Rands);
  - Please confirm on the table below the B-BBEE level contributor, **by ticking the applicable box.**

100% black owned	<b>Level One</b> (135% B-BBEE procurement recognition)	
More than 51% black owned	<b>Level Two</b> (125% B-BBEE procurement recognition)	
Less than 51% black owned	<b>Level Four</b> (100% B-BBEE procurement recognition)	

4. The entity is an empowering supplier in terms of the **dti** Codes of Good Practice.
5. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
6. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

**Deponent Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**Commissioner of Oaths**

**Signature & Stamp**