



## REQUEST FOR QUOTATION (RFQ)

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

### APPOINTMENT OF SHORT-TERM INSURANCE FOR A PERIOD OF THREE (3) YEARS

RFQ NO: LTAQ021-21/22

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 **27 SEPTEMBER 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 3.1, 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 \_\_\_\_\_



## SPECIFICATIONS:

### 1) INTRODUCTION AND BACKGROUND

Limpopo Tourism Agency is a schedule 3c entity mandated in terms of Limpopo Tourism Act of 2000 to amongst other things to 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 sectors transformation

### 2) PURPOSE OF THE BID

The purpose of this document is to detail the type of insurance cover which is required by the Limpopo Tourism Agency (LTA) and also to provide highlights of items to be insured.

The LTA needs a comprehensive short-term insurance services to cover its valuable assets, business interest and business risk from occurrence of uncertain future events that can be detrimental to the organization. The LTA's current insurance agreement will come to an end shortly. The LTA is currently looking at signing a three (3) year agreement with the short-term insurance service provider or broker who is a registered Financial Services Provider

### 3) SCOPE OF WORK

The Limpopo Tourism Agency has assessed the risks of damages and loss to its valuable assets, business interest and business risk and as such requires a comprehensive short-term insurance cover to safeguards against such losses. The insurance solution should be tailored to suits the risk specific to the LTA as highlighted below.

### 4) SERVICES REQUIRED

**4.1** The Limpopo Tourism Agency requires comprehensive short-term insurance services to mitigate the loss or damages of specified cover below:

#### 4.1.1 Performance Requirements

The bidders should be able to provide the following general insurance actions in terms of placement, maintenance and administration of the insurance portfolio:

- ✓ Claim administration and maintenance;
- ✓ Day to day correspondence and queries;
- ✓ Provide a dedicated claims manager;
- ✓ Monitor premium payments and refunds in accordance with accounts and statements;

- ✓ Keep LTA up to date with latest amendments to the legislation on Insurance through workshops

#### 4.1.2 Technical Requirements

##### a. **Assets**

- To cover all tangible property of every description belonging to the Agency or which the Agency has any propriety or financial interest against loss or damage caused by fire or similar threats including electronic breakdown.
- Electronic equipment, to cover on electronic business equipment including computers, laptops, desktops, servers and other peripherals or IT related gadgets.
- Stock, to cover on goods that forms part of the Agency's business activity e.g. cell phones, Ipads and 3Gs.

b. **Furniture and Fittings:** Agency currently has furniture and fittings located at the three (3) offices.

c. **Office Equipments:** consists of all other equipment other than IT equipment, used by the Agency on a daily basis for formal business activities.

d. **Motor Vehicle:** The Agency owns one vehicle used for daily business activities.

e. **Business Interruption:** A cover for financial loss suffered following interruptions of the Agency business. This should include but not limited to, fixed expenses, operating expenses and additional working expenses.

The preferred bidder should ensure that the following are also included in the insurance cover namely:

- Theft
- Goods in transit
- Business all risk

#### 4.1.3 Additional Requirements

- The bidder must be registered as short-term insurance provider with the financial service board.
- The bidder must have an in-house Online Claim Management System and Information System to handle full claims details as per insurance industry standards and norms. **Submit a sample of claims reports required and client reference where online claims system was implemented.**
- Clearly indicating excess amount payable or deductible under each claims.

- **Wording & Cover** - Provisioning of a policy wording by defining each type of cover, terms and conditions as it related to the type of cover below. In case of a broker, policy wording of the relevant underwriter should be sufficient.
  - Building all combined
  - Office contents
  - Business interruption
  - Theft
  - Goods in transit
  - Business all risk
  - Public liability
  - Employers' liability
  - SASRIA
  - Directors & Officers liability cover



## 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 **70%** 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:**

FUNCTIONALITY CRITERIA		Points Awarded	
COMPONENTS			
<b>A</b>	<b>FINANCIAL ABILITY</b>		<b>20</b>
	The service provider must have Professional Indemnity (PI) cover of least R50 Million which fully covers the function to be provided. <ul style="list-style-type: none"> <li>• Less</li> </ul>	10 05	
	The service provider must have Fidelity Guarantee (FG) cover of at least R45 Million which covers the functions to be provided. <ul style="list-style-type: none"> <li>• Less</li> </ul>	10 05	
	<b>Provide proof of PI and FG in your submission/proposal.</b>		
<b>B</b>	<b>PREVIOUS EXPERIENCE</b>		<b>20</b>
	<b>Years in business (Having experience in providing insurance services)</b> <ul style="list-style-type: none"> <li>• 10 Years and more</li> <li>• 5-9 Years</li> <li>• 02-4 Years</li> </ul>	10 08 03	
	<b>Previous projects executed.</b> <ul style="list-style-type: none"> <li>• R1 Million or more</li> <li>• Less than R1 Million</li> </ul>	10 05	
	(Please provide at least three (3) references for a similar or related project with contact details, period and amount)		

<b>C</b>	<b>KEY STAFF</b>		<b>20</b>
	<ul style="list-style-type: none"> <li>• Suitable Qualified and FAIS Compliant Service Team</li> <li>• None</li> </ul> Provide proof of Qualifications and FAIS Compliant.	20 0	
<b>D</b>	<b>PROFESSIONAL MEMBERSHIP</b>		<b>20</b>
	<ul style="list-style-type: none"> <li>• Being member of Insurance Association.</li> <li>• None</li> </ul> Provide a Proof of membership.	20 0	
<b>E</b>	<b>LOCALITY</b>		<b>20</b>
	<ul style="list-style-type: none"> <li>• Company physically located within Polokwane City</li> <li>• Company located within the Limpopo Province</li> <li>• Outside the Province</li> </ul>	20 10 0	

The minimum qualifying score for functionality is **70%**.

### 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 – FIRM PRICES (PURCHASES)

### PRICING SCHEDULE

**ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED  
IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**

I/We \_\_\_\_\_

(Full name of bidder) the undersigned in my capacity as \_\_\_\_\_

Of the firm \_\_\_\_\_

Hereby offer to Limpopo Tourism Agency to render the services as described, in accordance with the specifications and conditions of contract to the entire satisfaction of the Limpopo Tourism Agency and subject to the conditions of tender, for the amounts indicated hereunder:

#### PRICING

- 1.1 Tender prices must be in ZAR Currency (Rand);
- 1.2 Tender rates must be submitted exclusive of VAT, but the final bid price submitted must include VAT;
- 1.3 The tenderer must provide maximum amounts payable per line item, in respect of Excess Payments for each asset, as per applicable column in the detailed pricing schedules. In these instances where maximum amounts will not be tendered on the specific asset, this should be stated clearly as such next to the particular line item, and the applicable rate must then be stated for these exceptions;
- 1.4 All Brokers fees and any other administrative fees that will be payable, must be indicated as separate items in the Gross insurance premium tendered;
- 1.5 Where extensions are granted free of charge, please state “free” in the premium column;
- 1.6 Where a line of cover or an extension is not tendered for, please state “No Tender” in the premium column;
- 1.7 The liability for payment of Assessor Fees must be for the account of the tendered in all instances, inclusive of alternative tenders;
- 1.8 The premium tendered must remain firm for the initial period of 12 months, thereafter the annual escalation in the Rand value of the premium for the year 2 and 3 must not exceed the reasonably anticipated industry-related CPI as at 30 April of each year;

- 1.9 The annual renewal premium for the outer two years will be based on the escalated premiums quoted as per paragraph 1.8, subject to any additions and/or reductions required as per the updated information supplied by the Limpopo Tourism Agency.
- 1.10 The tenderer may submit tender with Fixed Premiums for the full duration of approximately 3 (three) years of the tender as per the detailed schedules that are provided as part of the tender document.
- 1.11 Following please find a summary schedule to be completed in respect of the quoted premium(s) as contained in the detailed schedules attached hereto, to be used as a basis for the duration of the proposed contract period up to Year 2021:

<b>PRICING SCHEDULE (% Escalation)</b>					
	<b>Class of Insurance</b>	<b>Cover Needed</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
	<b>Comprehensive Insurance Premium</b>			<b>Escalation %</b>	<b>Escalation %</b>
1.11.1.	Business All Risk	R2 000 000			
1.11.2.	Directors & Officials	R15 000 000			
1.11.3.	Electronic Equipment	R4 900 000			
1.11.4	Employer's Liability	R2 000 000			
1.11.5	Fidelity Guarantee	R2 000 000			
1.11.6	Glass	R100 000			
1.11.7	Office Contents	R2 000 000			
1.11.8	Public Liability	R5 000 000			
1.11.9	Theft	R50 000			
1.11.10	Motor Vehicle	R350 000			
1.11.11	Group Personal Accident	R250 000			
1.11.12	Accidental Damage	R100 000			
1.11.13	Business Interruption	R1 000 000			
1.11.14	Mobile Offices	R80 000			
	<b>Sub-Total-Comprehensive Insurance</b>	<b>R</b>			
1.11.15	SASRIA	R			
1.11.16	Broker's Fee	R			
	Sub-Total (VAT Excluded)	R			
1.11.17	VAT	R			
	<b>Total</b>	<b>R</b>			
	<b>GRAND TOTAL (Y1, Y2 &amp; Y3)</b>	<b>R</b>			

**SUMMARY PRICING SCHEDULE FOR INSURANCE COVER:**

SECTION	INSURED AMOUNT	TARIFF	PREMIUM	SASRIA	TOTAL MONTHLY PREMIUM	YEAR 1 PREMIUM	MAXIMUM EXCESS AMOUNT
<b>BUSINESS ALL RISK</b>							
GENERAL SPECIFIED ITEMS	R2 000 000						
	<b>R2 000 000</b>						
<b>SASRIA</b>							
<b>TOTAL</b>							
<b>DIRECTORS &amp; OFFICIALS (14 Board Members &amp; 54 Officials)</b>							
LIMIT OF INDEMNITY	R15 000 000						
	<b>R15 00 000</b>						
<b>TOTAL</b>							
<b>ELECTRONIC EQUIPMENT</b>							
COMPUTER EQUIPMENTS	R3 600 000						
OFFICE EQUIPMENTS	R1 200 000						
AUDIO EQUIPMENTS	R 100 000						
	<b>R4 900 000</b>						
<b>SASRIA</b>							
<b>TOTAL</b>							
<b>EMPLOYER'S LIABILITY</b>							
LIMIT OF INDEMIITY	R2 000 000						
	<b>R2 000 000</b>						
<b>FIDELITY GUARANTEE</b>							
LIMIT OF INDEMNITY	R2 000 000						
	<b>R2 000 000</b>						
<b>GLASS</b>							
GENERAL LIMIT	R100 000						
	<b>R100 000</b>						
<b>SASRIA</b>							
<b>TOTAL</b>							
<b>OFFICE CONTENTS</b>							
FURNITURE & FIXTURES	R2 000 000						
	<b>R2 000 000</b>						
<b>SASRIA</b>							
<b>TOTAL</b>							
<b>PUBLIC LIABILITY</b>							

LIMIT OF INDEMNITY	R5 000 000						
	<b>R5 000 000</b>						
<b>THEFT</b>							
TOTAL CONTENTS OF ALL BUILDINGS	<b>R50 000</b>						
DAMAGE BUILDING							
PROPERTY IN OPEN (FENCED -IN-AREAS)							
<b>SASRIA</b>							
<b>TOTAL</b>							
<b>MOTOR VEHICLE</b>							
1x POOL VEHICLE (DCF 377 L)	R350 000						
	<b>R350 000</b>						
<b>SASRIA</b>							
<b>TOTAL</b>							
<b>GROUP PERSONAL ACCIDENT (54 Officials &amp; 24 Hrs Cover)</b>							
Death & Permanent Disability	R200 000						
Medical Expenses	R 50 000						
	<b>R250 000</b>						
<b>TOTAL</b>							
<b>ACCIDENTAL DAMAGE</b>							
LIMIT OF INDEMNITY	R100 000						
	<b>R100 000</b>						
<b>TOTAL</b>							
<b>BUSINESS INTERRUPTION</b>							
LIMIT OF INDEMNITY (Gross Rental - Indemnity Period 12 Months)	R1 000 000						
	<b>R1 000 000</b>						
<b>TOTAL</b>							
<b>MOBILE OFFICES</b>							
GENERAL LIMIT	R80 000						
	<b>R80 000</b>						
<b>SASRIA</b>							
<b>TOTAL</b>							
<b>GRAND TOTAL</b>	<b>R32 780 000</b>						



### 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 **YES / NO**

the evaluation and or adjudication of this bid?  
 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:

	<b>POINTS</b>
<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		NO	
-----	--	----	--

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		NO	
-----	--	----	--

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

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