



**REQUEST FOR FORMAL WRITTEN PRICE QUOTATIONS (RFQ)
(PROCUREMENT LESS THAN R200 000 INCLUDING VAT)**

REFERENCE NUMBER:	14017
DESCRIPTION:	Provision of Actuarial Services for O.R Tambo District Municipality for a period of three years
ADVERTISEMENT DATE:	02 June 2023
CLOSING DATE: CLOSING TIME:	09 June 2023 12 pm
VALIDITY PERIOD OF QUOTATION:	90 days
SUBMISSION OF QUOTATIONS:	Tender Box, O.R. Tambo House O.R. Tambo District Municipality Nelson Mandela Drive Mthatha
CONTACT PERSON SCM FOR ENQUIRIES:	Name: Zimasa Jim Tel : 047 501 6557 Email: zimasaj@ortambodm.gov.za
CONTACT PERSON FOR TECHNICAL ENQUIRIES:	Name: Piwe Mbaba Tel : 072 415 0755 Email : piwem@ortambodm.gov.za

To be completed by bidder:

NAME OF BIDDER:	
CSD SUPPLIER NUMBER:	
SARS TAX COMPLIANCE STATUS PIN:	
TELEPHONE NUMBER:	
CELL NUMBER:	
PHYSICAL ADDRESS:	
EMAIL ADDRESS:	
QUOTATION AMOUNT:	R
QUOTATION AMOUNT IN WORDS	



SECTION 1: COMPULSORY RETURNABLE DOCUMENTS AND SCHEDULES

Bidders must complete and/or submit the returnable documents and schedules listed below, together with their quotations.

No.	Returnable document / schedule	Compulsory (Yes / No)	Non-submission will render quotation non-responsive (Yes / No)
1.	CSD supplier number	Yes	Yes
2.	Stamp the front page with the business stamp	Yes	Yes
3.	Initial all pages	Yes	Yes
4.	Business registration documents	Yes	Yes, if the registration documents cannot be verified on CSD
5.	Certified copy of identity documents of directors / shareholders / partners / members, as the case may be	Yes	Yes, if the identity documents cannot be verified on CSD
6.	MBD 1 Invitation to bid - completed and signed	Yes	No
7.	MBD 4 declaration form – completed and signed	Yes	Yes
8.	MBD 6.1, 8 and 9 forms – completed and signed	Yes	Yes
9.	Proof of latest municipal rates and taxes statement of the bidder indicating that rates and taxes are not in arrears for more than 3 months.	Yes	Yes
10.	Proof of latest municipal rates and taxes statement of each company director indicating that rates and taxes are not in arrears for more than 3 months.	Yes	Yes
11.	Proof of latest municipal water and sanitation charges statement of the bidder indicating that rates and taxes are not in arrears for more than 3 months for bidders who reside in the O. R. Tambo District Municipality area.	Yes	Yes
12.	Proof of latest municipal water and sanitation charges statement of each company director indicating that rates and taxes are not in arrears for more than 3 months for bidders who reside in the O. R. Tambo District Municipality area.	Yes	Yes
13.	Confirmation of address from a ward councilor where the bidder and company directors operate and reside in a peri-urban area where no rates and taxes and service charges are not billed.	Yes	Yes
14.	A copy of a valid lease agreement where the bidder does not own the property they are operating from.	Yes	Yes



Verification of bidder's documentation on the Central Supplier Database (CSD)

The municipality will verify on the CSD, the following documentation submitted by bidders:

- (i) Business registration status, including details of directorships and membership
- (ii) Tax compliance status
- (iii) Identity numbers of directors, shareholders, partners, members
- (iv) Proof of bank account registration
- (v) Tender defaulters and restrictions status
- (vi) Whether any director, manager, principal shareholder or stakeholder of the bidder is in the service of the state.

SECTION 2: PROCEDURE FOR SUBMISSION OF QUOTATIONS

1. No quotation will be considered unless submitted on this RFQ document.
2. Telephonic, telegraphic, facsimile or emailed submissions, or any other electronic submissions, will not be accepted, unless indicated otherwise in this document.
3. Submissions must be marked with the RFQ description and reference number, sealed and deposited in the tender box on or before the closing date and time for submissions.
4. Submissions deposited in the tender box after the closing time or closing date will be considered to be late.
5. Late submissions will not be accepted, and where practicable, shall be returned unopened to the bidder.
6. O.R. Tambo District Municipality accepts no responsibility for ensuring that RFQ submissions are placed in the correct box, and submissions placed in the incorrect box will not be accepted.
7. Bidders are entitled to submit one quotation only, either as a single tendering entity or as a member of a joint venture or consortium.
8. Bidders are responsible for all costs incurred in the preparation and submission of their quotation.
9. The RFQ submission must be signed by a person or persons duly authorised to do so.
10. Once the quotation is awarded, all purchases will be made through an official O.R. Tambo District Municipality purchase order.
11. No goods or services must be delivered or provided before an official order has been sent to, and accepted by the successful bidder.



SECTION 3: TEST FOR RESPONSIVENESS

Invalid submissions

Quotations shall be invalid if:

1. The submission is not completed in non-erasable ink.
2. The bidder, if he or she is a natural person, is in the service of the state, or if not a natural person, a director, manager, principal shareholder or stakeholder of the bidder is in the service of the state.
3. The bidder is listed on the National Treasury Register of Tender Defaulters and / or List of Restricted Suppliers and is restricted from doing business with the public sector.
4. The bidder has been restricted from doing business with O.R. Tambo District Municipality in terms of its supply chain management policy and procedures.

Non-responsive submissions

Quotations will be declared as non-responsive and eliminated from further evaluation in the following instances:

1. The submission does not comply with the mandatory requirements of the RFQ, if any, including any minimum evaluation criteria.
2. The bidder's tax matters are found not to be in order upon verification by the Municipality on CSD, and the bidder fails to ensure that its tax matters are in order within such timeframe as may be granted by the municipality.
3. Where the bidder is not registered on CSD.
4. Where the bidder is not registered on the municipal supplier database, or does not meet the listing criteria for accredited suppliers specified in the municipality's SCM Policy, and does not register on the database or meet the listing criteria within such timeframe as may be granted by the municipality.

SECTION 4: EVALUATION OF QUOTATIONS

Evaluation of quotations

1. Quotation submissions will be evaluated on the criteria specified in this document.
2. Submissions will be evaluated in accordance with the 80/20 price and preferential procurement points system.
3. Unless stated otherwise in this document, the quotation will be awarded to the bidder who meets the all the requirements of the RFQ and who scores the highest total price and preference points.

SECTION 5: SPECIFICATIONS AND EVALUATION CRITERIA

SPECIFICATION

The O. R. Tambo District Municipality (ORTDM) seeks to appoint a service provider for a period of three years, who will provide actuarial services to the O. R. Tambo District Municipality. Service Providers with relevant skills, experience and empowerment profiles are invited to submit proposals to the ORTDM, to assist the organisation in providing these services.

Background and Discussion

The Expenditure sub-directorate is responsible for overseeing the provision of actuarial services to the O. R. Tambo District Municipality.

GRAP 25 of the Generally Recognised Accounting Principles requires that “The assets and liabilities of the O. R. Tambo District Municipality shall from time to time, as the Accounting Officer consider necessary, but any event at intervals of not more three years, be valued by the actuary appointed by Minister to determine the sufficiency of the ORTDM”. The actuary must review the financial soundness of the ORTDM for that financial year, and the results must be included in the next annual report of Accounting Officer after the completion of actuarial valuation report.

Scope of Work and Deliverables

The required service provider should be qualified in Actuarial services and must be registered by any recognized professional actuarial body in South Africa e.g. a Fellow of Actuarial Society of South Africa, Fellow of Institute of Actuaries (UK) or Fellow of Faculty of Actuaries (UK) in order to perform the following tasks.

CORE TASKS:

- Perform annual actuarial valuations of long service awards of the qualifying employees of O.R. Tambo District Municipality in line with GRAP 25.
- Perform annual actuarial valuation for the post-retirement health care subsidy as at 30 June in each year, in line with GRAP 25.



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- Perform actuarial valuation for both long service awards and post-retirement health care subsidy for interim financial statement for the appointed period.
- Be hands on during the audit process
- Propose the necessary journal entries to record the above valuations.
- The required outcome should be available by the 30 June each year.

Required Expertise and Skills

The service provider must have a proven track record and extensive experience in the provision of actuarial service in the following industries but not limited to: long term insurance, short-term insurance, medical schemes, pension/retirement, investments and social security programmes.

A minimum of five (5) years" experience in actuarial services, especially in a similar environment (Public or Private Entity) is required in order to perform this assignment. The successful bidder will be expected to perform these services in accordance with the standards applicable to the Actuarial Profession.

The service provider will be required to provide a summary which demonstrates their firms" understanding of the requirements. In addition, bidders" submissions should document the following:

- A detailed work-plan as well as the proposed approach to undertaking the scope of the work.
- The timeframes to execute the work required
- Names, qualifications and experience of personnel to be employed to perform each task.

Methodology

The approach and project methodology to be employed in execution of this project and activities should be documented and includes, amongst other things, but not limited to the following:

- Objectives,
- Scope,
- Approach and Tools;
- Risk Assessment;
- Procedures and Analysis;
- Legislative Frameworks;
- Reporting;

Contract Duration

The contract is expected to be over a period of 36 months.

Management of the Assignment

The service provider is required to describe how their firm intends to manage all aspects of work to be performed (Project Management); including schedules for completion of tasks/sub-tasks, progress reports and cost control, time management and feedback mechanisms.

The billing should be based on the time spent in producing quality product calculated using approved DPSA hourly fee rates for consultants.



Mandatory Requirements

Required professionals should hold qualifications in Actuarial Sciences, and registered with an Actuarial Professional Body recognised in South Africa e.g. a Fellow of the Actuarial Society of South Africa, Fellow of the Institute of Actuaries (UK) or Fellow of the Faculty of Actuaries (UK)

Valid and original tax certificate

Proof of registration with the Central Supplier Database (CSD)

The service provider will be required to provide a summary which demonstrates their firm understanding of the requirements. In addition, bidder's submissions should document the following:

A detailed work-plan as well as the proposed approach to undertaking the scope of the project;
Previous experience and references where similar projects were conducted, possibly in a similar public entity;

Estimated costs based on approved DPSA hourly rates; and

Names, qualifications and experience of personnel to be employed to perform each task.
Bids must be submitted in the following format:

Covering letter signed by the lead company representative, inter alia:

Accepting the Rules Bidding;

Providing full contact details of the Lead/Principal Actuary;

Two sets of the technical and price proposals (Please note that 2 pricing schedules must be completed:

Any other requirement as stipulated on Mandatory requirements.

Technical proposal

- Full details of the professionals appointed to serve the ORTDM, the role that each proposed member of the team will play, cross-referenced to each deliverable in the scope of work, and cross-referenced to each specified technical evaluation element set out in the technical scorecard (see table below). Their suitability for the assignment, demonstrating their specific skill and experience with reference to their resumés and contactable references. Attach copies of each member of the service team's curriculum vitae (CV).
- A copy of the qualifications in Actuarial Sciences and proof of membership with an Actuarial professional body of the individuals appointed to serve the ORTDM for the duration of the contract.
- Their availability to perform the work in the timeframe, substantiated by listing other known professional commitments for each member over the period of the assignment.

The service provider is required to describe how their firm intends to manage all aspects of work to be performed (Project Management), including schedules for completion of tasks/sub-tasks, progress reports and cost control.

The billing should be based on the time spent in producing quality product calculated using the agreed price per hour.



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PRICING SCHEDULE
Price proposal

The service provider must ensure that a comprehensive and relatively competitive bid price proposal inclusive of Vat and other related costs are submitted in terms of the price proposal. The price proposal must cover the full cycle of the contract (36 months) and not just the initial 12 months' price.

Description	Current Number of Employees	Rate per Employee Year 1 ®	Rate per Employee Year 2(R)	Rate per Employee Year 3 ®	Total
Long Service Bonus	1197				
Post-Retirement Medical Aid	661				
Disbursements					
				Sub-Total	
				Vat @ 15%	
				Total	

If this schedule does not correspond with bid. The Service Provider must attach a separate list of detailed Bills of Quantities that is costed per item and summary of totals

Note:

1. All prices quoted must include VAT, if the bidder is a registered VAT vendor.
2. All prices submitted must be firm. Firm prices are deemed to be fixed prices, which are only subject to statutory changes.
3. Costing should include estimated disbursements.

EVALUATION CRITERIA

Request for Quotations will be evaluated in terms of the Supply Chain Management policy of the O. R. Tambo District Municipality. The lowest tender will not necessarily be accepted and the Municipality reserves the right to accept the whole or part of any tender or not to consider any tender not suitably endorsed. The bid will be awarded to the bidder who has scored the highest points for price and specific goals combined.

Evaluation for price and specific goals

The procedure of evaluation will be as follows:

- a) **PRICE:** **80**
- b) **SPECIFIC GOALS:** **20**

Points Awarded for Price (Ps)

A total of 80 points will be awarded to the Tenderer on the following basis:

Ref.14017: Provision of Actuarial Services for O.R Tambo District Municipality for a period of three years



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

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = Price of lowest acceptable tender

Points awarded for specific goals

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 the table below as may be supported by proof/ documentation stated in the conditions of this tender. Specific goals for the tender and points claimed are indicated per the table below.

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)
The promotion of enterprise located in a specific country (South Africa) for work to be done or services to be rendered	20	

Failure to submit:

- Proof of company registration documents
- Proof of address/ Statement of rates and taxes

Non-submission will be interpreted to mean that preference points for specific goals are not claimed



SECTION 6: CONDITIONS OF CONTRACT

The contract between the municipality and the appointed bidder will be administered in accordance with the General Conditions of Contract 2010 as issued by National Treasury. A copy of the General Conditions of Contract may be obtained from the National Treasury website – www.treasury.gov.za



PART A INVITATION TO BID

MBD 1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF O.R. TAMBO DISTRICT MUNICIPALITY					
RFQ NUMBER:	14017	CLOSING DATE:	09 June 2023	CLOSING TIME:	12.00PM
DESCRIPTION	Provision of Actuarial Services for O.R. Tambo District Municipality for a Period of Three Years				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					
RFQ RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
GROUND FLOOR, O.R. TAMBO DISTRICT MUNICIPALITY BUILDING					
NELSON MANDELA DRIVE, MYEZO PARK					
MTHATHA					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
PROOF OF RESIDENCE/ STATEMENT OF RATES AND TAXES	<input type="checkbox"/> Yes <input type="checkbox"/> No		COMPANY REGISTRATION DOCUMENTS	<input type="checkbox"/> Yes <input type="checkbox"/> No	
[COMPANY REGISTRATION DOCUMENTS, PROOF OF RESIDENCE OR STATEMENT OF RATES AND TAXES) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR SPECIFIC GOALS]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES,ANSWER PART B:3]	
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE	R	
SIGNATURE OF BIDDER		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	SCM DEPARTMENT		CONTACT PERSON	PIWE MBABA	
CONTACT PERSON	ZIMASA JIM		TELEPHONE NUMBER	072 415 0755	
TELEPHONE NUMBER	047 501 6557		FACSIMILE NUMBER	N/A	
FACSIMILE NUMBER	N/A		E-MAIL ADDRESS	piwem@ortambodm.gov.za	
E-MAIL ADDRESS	zimasaj@ortambodm.gov.za				



PART B TERMS AND CONDITIONS FOR BIDDING

MBD1

1. BID SUBMISSION:										
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE</p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p>										
2. TAX COMPLIANCE REQUIREMENTS										
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER’S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>										
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS										
<table style="width: 100%; border: none;"> <tr> <td style="width: 80%;">3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?</td> <td style="text-align: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> </table> <p>IF THE ANSWER IS “NO” TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</p>	3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO	3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO	3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO	3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO	3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO									
3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO									
3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO									
3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO									
3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO									

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER:.....

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

DATE:.....



MBD 4

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, shareholder²):

.....

3.4 Company Registration Number:

3.5 Tax Reference Number:

3.6 VAT Registration Number:

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

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

3.8.1 If yes, furnish particulars.....

.....

¹ MSCM 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;



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- (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 n
..... **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.

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

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 \mathbf{P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)} & \mathbf{or} & \mathbf{P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)}
 \end{array}$$

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = 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:

$$Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$$

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.)



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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)
The promotion of enterprise located in a specific country (South Africa) for work to be done or services to be rendered	20	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company _____ registration _____ number: _____

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims



are correct;

- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
- (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

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

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>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <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)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.2.1	If so, furnish particulars:		



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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
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

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:

(Quotation Number and Description)

in response to the invitation for bids made by:

O.R. Tambo District Municipality

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 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 this invitation; or
 - (f) submitting a bid 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 bid.

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



MBD 9

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