

MUNISIPALITEIT
VAN
PRINS ALBERT



MUNICIPALITY
OF
PRINCE ALBERT

Rig alle korrespondensie aan:
DIE MUNISIPALE BESTUURDER
Privaatsak X53, Prins Albert, 6930

E-Pos / E-Mail: rekords@pamun.gov.za

Address all correspondence to:
THE MUNICIPAL MANAGER
Private Bag X53, Prince Albert, 6930

Tel: 023-541 1036, Fax: 023-541 1035

TENDER DOCUMENT

TENDER NUMBER		190 / 2022							
TENDER DESCRIPTION		PROVISION OF ACCOUNTING SUPPORT SERVICES FOR A CONTRACT PERIOD OF THREE (3) YEARS, FOR THE PRINCE ALBERT MUNICIPALITY.							
CLOSING TIME:	13H30	CLOSING DATE:	15 NOVEMBER 2022						
Tender Box at: Municipal Finance Building Thusong Service Centre Adderley Street Prince Albert, 6930		NB: 1. All bids must be submitted on the official forms – (not to be re-typed) 2. Bids must be completed in black ink in writing. 3. No bids will be considered from persons in the service of the State.							
Name of Bidder:									
Tendered Amount:									
B-BEE Status level of Contribution									
Preference Points claimed:									
CSD Supplier Number:		M	A	A	A				
CSD Unique reference nr:									
Signature of Prince Albert Municipality officials at Tender Opening:		1.							
		2.							

Take note: B-BBEE certificates submitted with the bid document **MUST** be **VALID ORIGINAL BBBEE CERTIFICATES** or **VALID CERTIFIED COPIES OF THE B-BBEE CERTIFICATES.**

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CHECKLIST

PLEASE ENSURE THAT THE FOLLOWING FORMS HAVE BEEN DULY COMPLETED AND SIGNED AND THAT ALL DOCUMENTS AS REQUESTED, ARE ATTACHED TO THE TENDER DOCUMENT:

Authority to Sign a Bid – is the form duly completed and is a certified copy of the resolution attached?	YES		NO	
MBD 2 (Tax Clearance) – is an ORIGINAL and VALID Tax Status Pin attached?	YES		NO	
Functionality scoring – Is the form duly completed and signed? Supporting schedules, documents, proof of experience and other information required (if functionality is applicable).	YES		NO	
Specifications – Is the form duly completed?	YES		NO	
MBD 3.1 (Pricing schedule) – Is the form duly completed and signed?	YES		NO	
MBD 4 (Declaration of Interest) – Is the form duly completed and signed?	YES		NO	
MBD 5 (Declaration for Procurement above R 10 million) – Is the form duly completed and signed?	YES		NO	
MBD 6.1 (Preference Points claim for purchases/services) – Is the form duly completed and signed? Is a CERTIFIED copy of the B-BBEE Certificate or the original B-BBEE Certificate attached?	YES		NO	
MBD 6.2 (Declaration for Local Production and Content) – Is the form duly completed and signed? Are the relevant annexures (C, D & E) completed and submitted with this bid?	YES		NO	
MBD 7.1 (Contract form – Purchase of Goods / Works) – Is the form duly completed and signed?	YES		NO	
MBD 7.2 (Contract form – Rendering of services) – Is the form duly completed and signed?	YES		NO	
MBD 7.3 (Contract form – Sale of Goods / Works) – Is the form duly completed and signed?	YES		NO	
MBD 8 (Declaration of Past Supply Chain Practices) – Is the form duly completed and signed?	YES		NO	
MBD 9 (Certificate of Independent Bid Determination) – Is the form duly completed and signed?	YES		NO	
MBD 15 (Certificate of Payment of Municipal Accounts) – Is the form duly completed and signed? Are the Identity numbers and certified copies, residential addresses and municipal account numbers of ALL members, partners, directors, etc. provided on the form as requested?	YES		NO	
Attached Central Supplier Database (CSD) Report ?	YES		NO	

CERTIFICATION

I, the undersigned (full name.....), certify that the information furnished on this checklist is true and correct.

Signed:

Date:

Name:

Position:

Tenderer:

MBD 1

**PRINCE ALBERT MUNICIPALITY
TENDER NOTICE AND INVITATION TO BID
DETAILS OF TENDERER**

NAME OF BIDDER:									
TRADING AS: (if different from above):									
STREET ADDRESS:									
City / Town					Code				
POSTAL ADDRESS:									
City / Town					Code				
CONTACT PERSON:									
ENTERPRISE REGISTRATION NUMBER					CIDB CRS NUMBER:				
TCS PIN:					FACSIMILE NUMBER:				
EMAIL ADDRESS:									
TELEPHONE NUMBER:					CELLPHONE NUMBER:				
HAS TAX COMPLIANCE STATUS PIN BEEN ATTACHED?							YES	NO	
HAS AN ORIGINAL OR CERTIFIED COPY OF A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED (MBD 6.1)?							YES	NO	
HAS THE DELCARATION BEEN COMPLETED AND CURRENT, ORIGINAL OR CERTIFIED MUNICIPAL ACCOUNTS BEEN ATTACHED?							YES	NO	
DECLARATION									
I am duly authorised to represent the tenderer for the purpose of this tender and hereby tender to supply all or any of the goods and/or render all or any of the services described in the attached document to the Prince Albert Municipality on the terms and conditions stipulated in this tender document and in accordance with the specification stipulated in the tender document.									
NAME (PRINT):				SIGNATURE:					
CAPACITY:				DATE:					

MBD 1

	PRINCE ALBERT MUNICIPALITY		
	TENDER NOTICE AND INVITATION TO BID		
NOTICE NR:	190 / 2022	DEPARTMENT:	FINANCIAL SERVICES
ADVERTISED IN:	Municipal Website, Die Burger Newspaper, Notice Boards, e-Tender Portal		
DATE PUBLISHED:	15 October 2022		
BID NUMBER:	190 / 2022		
BIDS ARE HEREBY INVITED FOR: (Tender Description):	PROVISION OF ACCOUNTING SUPPORT SERVICES FOR A CONTRACT PERIOD OF THREE (3) YEARS, FOR THE PRINCE ALBERT MUNICIPALITY.		
CLOSING DATE & TIME:	15 NOVEMBER 2022 @ 13h30		
EVALUATION OF TENDERS:	Tenders shall be evaluated in terms of the Prince Albert Municipality Supply Chain Management Policy incorporating the Preferential Procurement Policy Framework Act, 2000. Bidders may claim preference points in terms of their B-BBEE status level of contribution.		
APPLICABLE PREFERENTIAL PROCUREMENT POINTS SYSTEM:	80 / 20		
LOCAL PRODUCTION AND CONTENT REQUIREMENT:	Local production and content are not applicable on this bid.		
CIDB REQUIREMENT:	Not applicable on this bid		
TENDER VALIDITY PERIOD:	90 Days		
COMPULSORY BRIEFING SESSION:	<p><u>Compulsory clarification meeting to be held as follow:</u> Venue: Prince Albert Municipal Council Chambers 33 Church Street, Prince Albert, 6930 Date: 26 October 2022 @ 10h00 No bids will be accepted from bidders who did not attend the compulsory clarification meeting.</p>		

OPENING OF BIDS	Bids will be opened immediately thereafter, in public, at the Prince Albert Municipality Finance Building - Boardroom: (Thusong Centre, Adderley Street, Prince Albert, 6930)		
FUNCTIONALITY SCORING	Functionality scoring applicable. Bidders must obtain a minimum functionality score of 80 out of 100 points (80%) in order to be regarded as responsive.		
<p><u>AVAILABILITY OF BID DOCUMENTS</u></p> <p>Tender Documents will be available at a cost of R 100.00 (inclusive of VAT) from the Prince Albert Municipality at the Financial Services Department, or at no charge from the municipal website (Website navigation is as follow: Procurement – Tenders/Quotations available).</p>			
Alternatively, print Copies of the Tender Documents will be available as from 07h30 and thereafter on weekday from 07h30 until 16h00, at Prince Albert Municipality: Supply Chain Management Unit, Finance Building (Thusong Centre), 02 Adderley Street, Prince, Albert, at a non-refundable fee, payable to a cashier at above-mentioned address.	<p>The fee may also be transferred via EFT to: Prince Albert Municipality (Current Account) ABSA Bank Prince Albert Account nr: 26-4056-0064 Branch Code: 632005.</p> <p>Proof of payment will be required upon collection of the tender documents. Bid Number to be used as payment reference with name of payee. Tender Document reference number: T190/2022 and Company Name</p>		
Date available:	18 October 2022	Non-refundable Documentation fee:	R 100.00 (Incl. VAT)
<p>Bids are to be completed in accordance with the conditions and bid rules contained in the bid document and supporting documents must be placed in a sealed envelope and externally endorsed WITH THE BID NUMBER, DESCRIPTION AND CLOSING DATE OF THE BID, and be deposited in the Tender Box, at the Finance Building (Thusong Centre) of the Prince Albert Municipality, 02 Adderley Street, Prince Albert. 6930. Bids may only be submitted on the bid documentation that is issued.</p>			
<p>This bid is not subject to Local Production and Content.</p>			
<p>The evaluation of this bid will be subjected to functionality scoring. Bidders must obtain a minimum functionality score of 80 out of 100 points (80%) in order to be regarded as responsive.</p>			
<p>Bids will be evaluated according to the 80/20 points system. The bids are subject to the Preferential Procurement Policy Framework Act 2000 and the Council’s Supply Chain Management Policy. The Municipality reserves the right to withdraw any invitation to bid and/or re-advertise or to reject any bid or to accept a part of it. The Municipality does not bind itself to accept the lowest bid or to award a contract to the Bidder scoring the highest number of points.</p>			
<p>Tenderers who are not yet registered are required to register on the Municipality’s Accredited Supplier Database as well as the Central Supplier Database (CSD). Application forms are obtainable from the official website (www.pamun.gov.za) and registration at the CSD at https://secure.csd.gov.za .</p>			

ANY ENQUIRIES REGARDING TECHNICAL / SPECIFICATION RELATED INFORMATION MAY BE DIRECTED TO:		ANY ENQUIRIES REGARDING THE SUPPLY CHAIN MANAGEMENT PROCESS / BIDDING DOCUMENTS MAY BE DIRECTED TO:	
Section:	Financial Services	Section:	Supply Chain Management
Contact person:	Mr. P.W. Erasmus	Contact person:	Ms. Christa Baadjies
Tel:	023 541 1748	Tel:	023 541 1748
Email:	pw@pamun.gov.za	Email:	scm@pamun.gov.za

Authorized by:

ALDRICK HENDRICKS
Acting Municipal Manager
15 October 2022

PRINCE ALBERT MUNICIPALITY TAX CLEARANCE CERTIFICATE REQUIREMENTS	
It is a condition of tender that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations, before an award may be considered.	
1.	In order to meet this requirement bidders are required to complete in full the form TCC 001 " <i>Application for a Tax Clearance Certificate</i> " and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
2.	Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za .
3.	SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
4.	The original Tax Clearance Certificate and/or Tax Status Pin must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate and the tax status pin will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
5.	In bids where Consortia / Joint ventures / Sub-contractors are involved; each party must submit a separate Tax Clearance Certificate.
6.	Applications for Tax Clearance Certificates 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 .

TENDER SPECIFICATIONS

TENDER 190 OF 2022 - PROVISION OF ACCOUNTING SERVICES FOR A CONTRACT PERIOD OF THREE (3) YEARS, FOR THE PRINCE ALBERT MUNICIPALITY.

1. BACKGROUND

Prince Albert Municipality requires proposals from suitably experienced service providers to assist the Municipality with accounting services and reforms, to ensure the implementation of and compliance to these reforms on an ongoing basis.

2. COMPULSORY TENDER CLARIFICATION MEETING

A compulsory tender clarification meeting will be held as follow:

VENUE: **Prince Albert Municipal Council Chambers (33 Church Street, Prince Albert, 6930)**

DATE: **26 October 2022**

TIME: **10h00**

No bids will be accepted from bidders who did not attend the compulsory clarification meeting.

3. SCOPE OF WORK

3.1) It is the intention to appoint the successful tenderer for a three-year (3) contract period to commence on 01 January 2023 until 31 December 2025 in order to ensure the success of the project and to provide the municipality with the necessary business continuity and the building of institutional knowledge and capacity.

3.2) It is critical that the service provider to be appointed should have extensive experience in all the items listed below and must therefore be able to provide references/written confirmation of all such projects successfully undertaken in the past, for each of the items listed below. Failure to provide sufficient evidence as well as contactable referees will exclude tenderers from earning points for functionality criteria as listed hereunder.

3.3) As the municipality may decide to appoint a single service provider for all the functions listed below, it is important that all proposals must, as a minimum provide for the performance of all the functions listed below.

3.4) The service provider will be responsible for all mSCOA - projects in terms of National Treasury regulations.

4. **INVALID TENDERS**

The Bid Evaluation Committee shall consider the bids received and shall note for inclusion in the evaluation report a tenderer whose is considered by the Bid Evaluation committee to be invalid and eliminated from further evaluation for any of the following reasons:

- (i) The tender is not submitted on the official Pricing Schedule;
- (ii) The tender document is not completed in non-erasable handwritten, or printed, ink, or toner;
- (iii) The Pricing Schedule has not been signed with an original signature;
- (iv) The Pricing Schedule is signed, but the name of the tenderer is not stated, or is indecipherable.

5. **VALID TENDERS**

5.1) Valid tenders will be declared non-responsive and eliminated from further evaluation if:

- a) The tenderer has been listed on the National Treasury's Register for Tender Defaulters in terms of the Prevention and combating of Corrupt Activities Act, Act 12 of 2004, or has been listed of the National Treasury's List of Restricted Suppliers and who is therefore prohibited from doing business with the public sector.
- b) The tenderer is prohibited from doing business with the Prince Albert Municipality.
- c) The tenderer does not comply with the Specification(s).
- d) The tenderer does not comply with the instructions as contained in the Price Schedule and/or Contract Price Adjustments and Rate of Exchange Variation (where applicable).
- e) The tenderer has not achieved the minimum functionality scoring/points as set out in the tender document (if applicable).
- f) The tenderer is a person, advisor or corporate entity involved with the Bid Specification Committee or director/member of such a corporate entity and is therefore prohibited tendering for any resulting contracts.
- g) The tenderer does not comply with the production of local content (if applicable)

5.2) Tenders will be declared non-responsive if the tenderer fails to adhere to a written request within the specified period set out in such request) to:

- a) Comply with the general conditions applicable to tenders as set out in the Prince Albert Municipality's SCM Policy;
- b) Comply with one or more of the provisions contained in the Conditions of Tender.
- c) Comply with any other terms and conditions of the tender as contained in the tender documents;
- d) Register on the Central Supplier Database (CSD);
- e) Complete and/or sign any declarations and or/authorisations;
- f) Submit an original and valid tax clearance certificate or Tax compliance status pin from the South African Revenue Services (SARS) certifying that the taxes of the tenderer are in order;
- g) Comply with any applicable Bargaining Council agreements where applicable;

- h) Submit the information/complete in respects of transactions values exceeding R10 million (where applicable)

Paragraph 4.1 & 4.2 above are not closed lists.

6. **SCOPE OF WORKS**

- 6.1) Implementation of GRAP for the municipality and possible entities under its control, including any new Accounting Standard as approved by the ASB for implementation & assistance with External Audit & AG Queries as needed.
- 6.2) Asset Management other than 6.3, including assistance, as needed, with the annual asset count and assuring a GRAP Compliant Asset Register.
- 6.3) Unbundling of Infrastructure Assets according to GRAP 17 for the 3-year period and capturing of it onto the Asset Register as well as Prince Albert Municipality's GIS system.
- 6.4) Measurement of the costs to rehabilitate landfill sites.
- 6.5) Actuarial valuations of Employee Benefits.
- 6.6) Accounting Support in addressing accounting backlogs and assisting municipal staff with implementation of internal control measures. (Administrative and support services availability by means of offices and staff available in the Western Cape.)
- 6.7) Key Financial Staff Appointments assistance;
- 6.8) Development of Policies, Strategies, Benchmarking and Turnaround strategies developed and implemented.
- 6.9) Skills transfer through on-the-job training with the specific aim to empower municipal staff to execute their duties unassisted.
- 6.10) Training of Non-Financial Officials and Councillors in the requirements of GRAP and any revised Standards as well as Budgeting. The service provider must also provide any and all training material required.
- 6.11) Financial Project Management
 - (i) Assistance with reporting to National & Provincial Treasuries as-and-when needed (MFMA compliance)
 - (ii) Assistance with Budget Reforms, Reporting and budget schedules, as- and-when needed. (MFMA compliance)
 - (iii) Assistance with compliance with the requirements of Pre-determined Objectives, as-and-when needed.
 - (iv) Any other assistance as needed, including new financial requirements such as mSCOA implementation.
- 6.12) Development and implementation of business processes and standard operating procedures aligned with Prince Albert Municipality's systems.

- 6.13) Compilation of GRAP compliant annual financial statements and implementation of GRAP and other relevant new accounting standards and reforms relevant to the AFS presentation for the municipality and possible entities under its control & assistance with External Audit & AG Queries as needed.
- 6.14) Preparation of Annual Financial Statements – Fixed Price. (It is estimated that no less than 300 hours will be required at senior level for the completion of the AFS) The cost MUST be tendered as a fixed price from the point of receipt of Trial Balance after the year-end close-off procedure has been performed. The municipality will not provide a final Trial Balance from the onset and the consultant will be required to assist the municipality in the preparation of the final Trial Balance. (No consideration will be given to any time-based cost in addition to the fixed amount tendered until the audit of the AFS is finalised), the work to include the following:
- (i) Performing calculations and disclosing information required in all the notes to the AFS including, but not limited to the following:
 - (ii) Calculating annuity loan obligations
 - (iii) Calculating accrued interest where applicable in respect of annuity loans determination
 - (iv) Calculating the provision for post-retirement and other employee benefits in accordance with actuary reports, effecting corrective journal entries with regards to actuarial gains/losses and advising on appropriate accounting treatment of corrections/restatements and effecting same.
 - (v) Calculating other current and non-current provisions as may be required and preparing journals and workings for adjustments.
 - (vi) Calculate and provide workings for payables from exchange transactions retention.
 - (vii) Assess fair value of creditors and advise management thereon for disclosure purposes
 - (viii) Review unspent conditional grants calculation and advise management on correctness and completeness of calculations performed by staff.
 - (ix) Review and confirm tax calculations, i.e., liability/receivables from source documents provided, perform tax reasonability test, calculate apportionment ratio for the year, calculate theoretical VAT balance.
 - (x) Review PPE annexures and ensure reconciliation to the GL.
 - (xi) Test Asset register for accuracy of calculations and ensure that it complies with accounting policy and relevant accounting standards.
 - (xii) Review inventory calculation and water stock calculation to confirm distribution loss percentage and quantify loss in revenue.
 - (xiii) Perform calculations for the provision for impairment of receivables for exchange and non-exchange transactions. Provisions to be calculated on individual debtor basis, special attention to be paid to top 500 debtors.
 - (xiv) Perform GRAP 9 calculations as may be necessary.

- (xv) Calculate provision for impairment for traffic offences in accordance with I-GRAP1 use current and previous payment history in methodology.
- (xvi) Advise management on possible impairing of traffic fine receivables.
- (xvii) Calculate and determine operating lease asset and liability information, perform straight-lining where appropriate.
- (xviii) Ensure correct cash and cash equivalents disclosure in accordance with the accounting policy and accounting framework.
- (xix) Review bank reconciliation and advise on clearing of material amounts where appropriate.
- (xx) Review investment register for accuracy and calculate accrued interest where necessary.
- (xxi) Ensure completeness of property rates note with regards to valuation information, review and advise on completeness and appropriateness of property rates reconciliation.
- (xxii) Ensure accurate appropriate disclosure of all grant receipts, verify information in grants reconciliation for inclusion in AFS and prepare correction journals if relevant.
- (xxiii) Ensure accurate disclosure of employee related cost by scrutinising relevant reconciliations and advising if corrections are to be made for staff, management and councillors.
- (xxiv) Analyse finance charges to ensure accurate disclosure of respective components in accordance with accounting standard.
- (xxv) Review Bulk purchases amount to ensure completeness, and that adequate consideration for cut-off dates have been accounted for.
- (xxvi) Analyse and review expenditure by nature including general expenditure categories for appropriate disclosure of expenditure
- (xxvii) Analyse and review suspense accounts and provide advice with the clearing of suspense accounts where necessary.
- (xxviii) Perform all correction of error restatements where necessary, provide adequate narrative disclosure and advise management on accounting treatment of matters to be restated.
- (xxix) Ensure completeness of capital commitments by reviewing information supplied.
- (xxx) Perform financial risk management calculations including liquidity risks.
- (xxxi) Perform classification of financial instruments and appropriately disclose in accordance with applicable accounting standard.
- (xxxii) Consider information regarding contingent liabilities and ensure adequate and appropriate disclosure measured against GRAP requirements.
- (xxxiii) Ensure that adequate disclosure of material variances is done.

- 6.15) The following to be included in the fixed amount tendered:
- (i) Cost of attending meeting(s) to discuss the AFS with the internal audit committee.
 - (ii) Cost of attending Audit Steering Committee meetings with the AG (Estimated 3 meetings p.a.
 - (iii) Cost to revise and effect changes to the AFS after internal audit review as well as external audit technical review.
 - (iv) Cost to perform adjustments in accordance with Communications of audit findings and audit journals passed.
 - (v) Cost to analyse and respond to all audit findings relating to the AFS presentation inclusive of negotiating with and explaining point of view to the auditors.
 - (vi) Cost to obtain external expert opinion on accounting standards interpretation if a difference of opinion is evident between the AG and the municipality / consultant
 - (vii) Cost of printing and stationery.
 - (viii) Cost of time spent corresponding with and responding to auditors, whether in writing, e-mail, or verbal discussions.
 - (ix) Providing advice with regards to the adoption and/or early adoption of relevant accounting standards.
 - (x) Prepare and provide a complete set of electronic working papers, by means of spreadsheets, setting out calculations and attaching PDF documents as supporting evidence for any and all amounts stated and/or disclosed in the AFS, Notes and Appendices to the financial statements.
 - (xi) Prepare journals for transactions necessary for completion of the AFS and present to management for review.
 - (xii) Annual revision of the accounting policy of the municipality to accompany the AFS
 - (xiii) Review accounting policy for relevance, completeness and compliance with accounting standards ensure that it is appropriate in accordance with current operational environment.

6.16) Transfer of skills

A clear program to transfer skills to the municipal incumbent staff to enable them to compile the annual financial statements, in-house, must be submitted together with the tender, the program must clearly set out time frames, hours and resources committed to the empowerment and transfer of skills. This detailed report must be submitted to the Chief Financial Officer / Municipal Manager.

6.17) Social responsibility'

Tenderers are to provide details of plough back/social responsibility programs to be engaged with or which will be executed for each year of the duration of the contract. This is compulsory to submit, however will not be used in the evaluation.

7. APPLICABLE STANDARDS, SPECIFICATIONS AND REGULATIONS

- 7.1) Municipal Finance Management Act, 56 of 2003
- 7.2) Municipal Supply Chain Management (SCM) Regulations
- 7.3) Preferential Procurement Regulations, 2017.
- 7.4) Prince Albert Municipal Supply Chain Management Policy Incorporating Preferential Procurement
- 7.5) Accounting Standards, where applicable
- 7.6) Municipal Regulations on Standard Chart of Accounts

8. DELIVERY / COMPLETION

Completion as required per assignment.

9. PRICING REQUIREMENTS

9.1) The table below indicates how the tariffs/fees for the different functions should be determined. The municipality reserves the right to call upon the tenderer for all or any of the functions below and the estimated time spent on the project must be agreed upon between the parties in writing.

Level	Minimum relevant municipal experience in a South African municipal environment	Hours
Partner / Director	More than 15 years	100 hours per annum
Senior Manager	More than 20 years	300 hours per annum
Other Management	More than 10 years	300 hours per annum
Senior Consultant	More than 7 years	300 hours per annum
Junior Consultant	More than 4 years	300 hours per annum

9.2) Travelling rates should be quoted per kilometre and the calculation for the purpose of evaluation will be based on a total of 12,000 kilometres per annum.

9.3) Travelling time must be quoted as an hourly rate and the calculation for the purpose of evaluation will be based on 200 hours per annum.

9.4) Subsistence cost must be quoted as an allowance per day and the calculation for the purpose of evaluation will be based on 120 days per annum.

9.5) Accommodation cost will be reimbursed at the actual cost incurred to overnight at a 4-star accommodation establishment (or less) on a bed and breakfast basis and will not form part of the calculation for comparative purposes.

9.6) Sundry cost such as printing, stationery, parking, toll fees and other incidental expenditure will not be reimbursed separately and must therefore be included in the hourly rates quoted.

9.7) Please note that the tariffs for all components of the tender in the outer years of the projects will be limited to the annual growth indicator for the outer year's rate as indicated in the annual National Treasury Budget Circular.

9.8) Other GRAP or relevant accounting standards implementation issues Hourly tariffs excluding matters required for the preparation and presentation of the Annual Financial Statements.

NR	DESCRIPTION	FEE STRUCTURE
8.9	Asset Management, other than (3.2.4) below, including assistance as agreed upon, with the annual asset count and assuring a GRAP Compliant Asset Register;	Hourly tariffs
8.10	Unbundling of Infrastructure Assets according to GRAP 17 for the 3-year period and capturing of it onto the asset register and Prince Albert Municipality's GIS system;	Fixed price per annum
8.11	Physical Verification of existing Infrastructure Assets and specifications as set in 3.1.4 – 3.1.12	Fixed Price per annum per asset class. Price to be provided per asset classes, as it will be determined every year based on needs from the municipality what asset class will be verified.
8.11	Rehabilitation of landfill site: Cost of third-party expertise for the calculation of landfill site rehabilitation provision in accordance with relevant legislative requirements. Cost of Site visit and Surveyor must be separate.	Fixed price per annum
8.12	Actuarial valuations of Employee Benefits; Cost of 3rd party expertise necessary to perform actuarial calculations for disclosure of post-retirement benefits in the notes to the AFS. Costs must be separate for each Different Valuation required, Example Long Service Bonuses, Ex-gratia, Pension Fund Benefits, etc.	Fixed price per annum
8.13	Accounting Support in addressing accounting backlogs and assisting municipal staff with implementation of internal control measures. (Administrative and support services availability by means of offices and staff available in the Western Cape).	Hourly tariffs
8.14	On the job training with the specific aim of transferring skills to officials & to empower municipal staff to execute their duties unassisted (as and when needed)	Hourly tariffs
8.15	Key Financial Staff Appointments assistance.	Fixed price per candidate (estimate of ± 6 candidates over 3-year period)
8.16	Development of Policies, Strategies, Benchmarking and Turnaround exercises as necessary;	Hourly tariffs

8.17	On the job training with the specific aim of transferring skills to officials and to empower municipal staff to execute their duties unassisted.	Hourly tariffs
8.18	Training of Non-Financial Officials and Councillors in the requirements of GRAP and any revised Standards as well as Budgeting. <ul style="list-style-type: none"> - The service day for formal provider must also provide any and all training material required; - training in classroom environment irrespective of number of learners with maximum of 20 learners per occasion. - Cost of all manuals as well as catering and venues. 	Fixed Price for per GRAP and any revised Standards as well as Budgeting.
8.19	Financial Project Management	Hourly tariffs
8.20	Assistance with reporting to National & Provincial Treasuries as-and-when needed. (MFMA Compliance).	Hourly tariffs
8.21	Assistance with Budget Reforms, Reporting and budget schedules, as-and-when needed; (MFMA Compliance).	Hourly tariffs
8.22	Assistance with compliance with the requirements of Predetermined Objectives, as needed.	Hourly tariffs
8.23	Any other assistance as needed, including new financial reforms such as mSCOA implementation.	Hourly tariffs
8.24	Development and implementation of business processes and standard operating procedures aligned with Prince Albert Municipality's systems.	Hourly tariffs
8.25	Drafting of monthly financial statements, compiled from the Trial Balance of the month as source within 10 working days after month-end, complete with notes.	Fixed rate per annum for the 12-monthly submission
8.26	Other GRAP or relevant accounting standards implementation issues excluding matters required for the preparation and presentation of the Annual Financial Statements.	Hourly tariffs

10. EVALUATION

- 10.1) The submissions will be evaluated and adjudicated by a duly constituted evaluation and adjudication committee.
- 10.2) Prince Albert Municipality does not bind itself to accept the highest or any tender and reserves the right to accept any or none of the tenders submitted, as it may deem expedient.
- 10.3) The decision of the Municipality will be final.

- 10.4) The bidder must submit proof of services provided to local government institutions with contactable references and track records.
- 10.5) Submit proof of registration as a financial institution.
- 10.6) It is envisaged that the tender period will start on 01 January 2023 and the duration will be for three (3) years until 31 December 2025, extendable to 30 June 2023. Tenderers who are unable to comply with this stipulation should refrain from tendering.
- 10.7) Tenders will be evaluated on a comparative basis, which is the reason for the design of the tender specification and additional schedules (if applicable).
- 10.8) All tenders received shall be evaluated in accordance with the Municipal Finance Management Act, Act 56 of 2003 (read with its accompanying Supply Chain Management regulations), the Preferential Procurement Policy Framework Act, Act 5 of 2000 (read with its accompanying regulations) as well as the Prince Albert SCM Policy Incorporating Preferential Procurement.
- 10.9) For purposes of this tender, the 80/20 preference points system shall be applied.
- 10.10) Points will be awarded to tenderers who are eligible for preferences in terms of MBD 6.1: Preference Point Claim Schedule (where preferences are granted in respect of B-BBEE contribution).
- 10.11) The terms and conditions of MBD 6.1 shall apply in all respects to the tender evaluation process and any subsequent contract.

11. EVALUATION OF TENDERS ON FUNCTIONALITY

- 11.1) The tender will be evaluated on functionality.
- 11.2) The evaluation criteria are contained in the tender document.
- 11.3) A minimum score of 80 out of 100 points (80%) is required in order to be evaluated for price and preference.
- 11.4) Tenders that fail to achieve the minimum qualifying score for functionality, will be regarded as non-responsive, and will not be evaluated on price and preference points.

12. METHODOLOGY

Bidders must submit a thorough methodology, inclusive of the following:

- Project specific services methodology
- Time frames of individual actions / projects to be completed

13. COMPLETION OF SECTION

- 13.1) This section will be marked negatively for specific specifications in the methodology and time frames that are not clearly stated. (Starting with full marks, and losing two points for each item that is not clearly stated.
- 13.2) Failure on the part of a bidder to fill in a part of this may be interpreted to mean that the functionality points are not claimed.
- 13.3) Failure on the part of a bidder to sign this form will disqualify the bidder.
- 13.4) The municipality reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim, in any manner required by the municipality

14. DETAILS OF BIDDING FIRM

- 14.1) Attach a schedule and company profile with the description of the project, details of the employer and contact details of the representative of the employer.

15. DETAILS OF KEY PERSONNEL ON THE PROJECT

- 15.1) Bidders must submit details of the key personnel to be seconded to the project:
- 15.2) Experience: Attach a short CV not longer than 2 pages, concentrating on relevant experience with specific reference to experience in line with the scope of this project. It must clearly state the number of years' experience.
- 15.3) Proof of the Qualification in the form of an original certified copies must be attached, as well as professional registration, where applicable. Failure to comply, will result in zero (0) points awarded in the relevant functionality category.

16. DEFINITION OF TERMS

None

17. ABBREVIATIONS

- | | | | |
|-------|------------|---|--|
| 17.1) | SCM | - | Supply Chain Management |
| 17.2) | MBD | - | Municipal Bidding Document of Prince Albert Municipality |
| 17.3) | VAT | - | Value-Added-Tax |

TENDER FUNCTIONALITY

**TENDER 190 OF 2022 - PROVISION OF ACCOUNTING SERVICES FOR A CONTRACT
PERIOD OF THREE (3) YEARS, FOR THE PRINCE ALBERT MUNICIPALITY.**

1. GENERAL CONDITIONS

- 1.1) This form is to be used to claim the functionality points used to assess the technical capacity of the bidder to execute the project.
- 1.2) A prerequisite of 80% (80 out of 100 points) must be obtained for functionality, in order to be evaluated on price and preference points.
- 1.3) Verification of Audit opinion / outcomes, will be done using information available on the Auditor-General's Website. Where Evidence is required, it should be included as part of the Functionality Points Claim Form, otherwise points claimed will be deducted/not allowed.
- 1.4) The functionality points for this bid are allocated as indicated in table below – maximum of 80 points can be achieved.
- 1.5) Detailed functionality schedule on following page:

NR	EVALUATION CRITERIA		MAXIMUM POINTS AVAILABLE	POINTS CLAIMED BY BIDDER
	Item	Measurement (RSA municipality / entity)		
1.	Review of GRAP compliant annual financial statements and implementation of other relevant new accounting standards and reforms relevant to the AFS presentation for the municipality and possible entities under its control & assistance with External Audit & AG Queries as needed.	2 Points for every clean audit 2018/19, 2019/20 and 2020/21 FY (only for Municipalities / Municipal Entities). (Maximum of 16 points).	16	
		2 Point for every unqualified audit for 2018/19, 2019/20 and 2020/21 FY (only for Municipalities / Municipal Entities). (Maximum of 16 points)		
2.	Asset Management as indicated in specifications.	½ Point for every unqualified municipal / municipal entity audit report for 2018/19, 2019/20 and 2020/21 FY where the tenderer was involved with asset management. (Maximum of 8 points)	8	
3.	Unbundling of Infrastructure assets and additions according to GRAP 17 for the 3-year period and capturing of it onto the Asset Register as well as Prince Albert Municipality's GIS system.	½ Point for every unqualified municipal / municipal entity audit report where the tenderer was involved with the unbundling and measurement of infrastructure assets for the 2018/19, 2019/20 and 2020/21 FY. (Maximum of 8 points)	8	
4.	Physical Verification of existing Movable and Immovable Assets, as per specifications	½ Point for every unqualified municipal / municipal entity audit report where the tenderer was involved with the unbundling and measurement of infrastructure assets for the 2018/19, 2019/20 and 2020/21 FY. (Maximum of 8 points)	8	
5.	Measurement of the costs to rehabilitate landfill sites	5 points if the service provider is able to provide such a service.	5	

6.	Actuarial valuations of Employee Benefits.	5 points if the service provider is able to provide such a service.	5	
7.	Development and implementation of business processes and standard operating procedures aligned with Prince Albert Municipality's systems	Evidence of SOP's being developed and implemented for all financial cycles (Revenue, Expenditure, Supply Chain, Budgeting and Financial Reporting) and business processes. 1 point for every municipality / municipal entity where SOP's for at least 4 of the above cycles were developed and implemented	5	
8.	Relevant Key Staff	<ul style="list-style-type: none"> - 2 Points will be awarded to every Chartered Accountant on the staff establishment. - 5 Points will be awarded to a suitably qualified professional engineer. - 10 Points will be awarded to other staff members with relevant experience (1 point per staff member) - 5 Points will be awarded to a suitably qualified forensic auditor <p style="text-align: center;">(Maximum of 20 points)</p>	20	
9.	Preferred mSCOA Trainer	1 Point will be awarded to every preferred mSCOA trainer on the staff establishment. (Maximum of 3 points)	3	
10.	Methodology and Company Profile	<p>Bidder to submit the following</p> <ul style="list-style-type: none"> - Company profile (4 points) - Methodology as mentioned in Nr. 11 (2 points) 	6	
TOTAL POINTS FOR FUNCTIONALITY			100	

SCHEDULE OF WORK EXPERIENCE OF THE TENDERER

COMPLETED CONTRACTS				
NAME OF EMPLOYER (Name, Tel, fax, email)	CONTACT PERSON / REFEREE	NATURE OF WORK	VALUE OF WORK (INCL. VAT)	DATE ENDED
	Name: Contact Details:			

Attach additional pages if mores space is required.

Number of sheets appended by the tenderer to this schedule (If nil, enter NIL)	
--	--

SCHEDULE OF WORK EXPERIENCE OF THE TENDERER

COMPLETED CONTRACTS				
NAME OF EMPLOYER (Name, Tel, fax, email)	CONTACT PERSON / REFEREE	NATURE OF WORK	VALUE OF WORK (INCL. VAT)	DATE ENDED
	Name:			
	Contact Details:			
	Name:			
	Contact Details:			
	Name:			
	Contact Details:			
	Name:			
	Contact Details:			

Attach additional pages if more space is required.

Number of sheets appended by the tenderer to this schedule (If nil, enter NIL)	
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MBD 3.1

PRICING SCHEDULE
PROVISION OF ACCOUNTING SERVICES FOR A CONTRACT PERIOD OF THREE (3) YEARS., FOR THE PRINCE ALBERT MUNICIPALITY.

PRICING INSTRUCTIONS:

1. The document must be completed in non-erasable black ink.
2. NO correction fluid/tape may be used.
3. In the event of a mistake having been made, it shall be crossed out in ink and accompanied by an initial at each and every alteration.
4. The bidder must indicate whether he/she/the entity is a registered VAT Vendor or not.
5. In the case of the bidder not being a registered VAT Vendor, both columns (amount/rate excluding AND including VAT) must reflect the same amount.

	INDICATE WITH AN "X"			
Are you/ Is the firm a registered VAT Vendor?	YES		NO	
If "YES", please provide VAT Number				

I / We _____
 (full name of Bidder) the undersigned in my capacity
 as _____ of the firm
 _____, hereby
 offer to Prince Albert Municipality to render the services as described, in accordance
 with the specification and conditions of contract to the entire satisfaction of the Prince
 Albert Municipality and subject to the conditions of tender, for the amounts indicated
 hereunder:

ITEM	DESCRIPTION	UNIT CHARGE	TENDER PRICE (INCL. VAT)
1.	Review of Annual Financial Statements as per specification		
2.	Other GRAP implementation issues		
3.	Asset Management include in 3.1.2 and 3.1.3.		
4.	Unbundling of Infrastructure Assets according to GRAP 17 for the 3-year period and capturing of it onto the asset register and Prince Albert Municipality's GIS system;		
5.	Physical Verification of existing Infrastructure Assets and specifications as set in 3.1.5 – 3.1.11		
6.	Measurement of the costs to rehabilitate landfill sites.		
7.	Actuarial valuations of Employee Benefits. Costs must be separate for each Different Valuation required Example Long Service Bonuses, Ex-Gratia Pension Fund Benefits, etc.;		
8.	Accounting Support and assisting municipal staff with implementation of internal control measures.		
9.	On the job training with the specific aim of transferring skills to officials & to empower municipal staff to execute their duties unassisted;		
10.	Any other assistance as needed, including new financial requirements such as SCOA implementation.		
11.	Development and implementation of business processes and standard operating procedures aligned with Prince Albert Municipality's systems.		
12.	Partner / Director > 10 years' experience		
13.	Senior Manager > 20 years' experience		
14.	Other Management > 10 years' experience		
15.	Senior consultant > 7 years' experience		
16.	Junior consultant > 3 years' experience		
TENDERED TOTAL (INCL. VAT) – Carried forward to tender cover			

Signature of Prince Albert Municipality Officials at Tender Opening	1. _____ 2. _____
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MBD 4

PRINCE ALBERT MUNICIPALITY DECLARATION OF INTEREST			
1.	No bid will be accepted from persons in the service of the state*.		
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 the 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 / her representative:		
3.2	Identity number:		
3.3	Position occupied in the Company (director, trustee, shareholder?)		
3.4	Company Registration Number:		
3.5	Tax Reference Number:		
3.6	VAT Registration Number:		
3.7	The names of all directors / trustees / shareholders / members, their individual identity numbers and state employee numbers (where applicable) 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.		
3.9	Have you been in the service of the state for the past twelve months?	YES / NO	
3.9.1	If so, furnish particulars		
3.10	Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?	YES / NO	
3.10.1	If so, state particulars.		
3.11	Are you aware of any relationship (family, friend, other) between the bidder and any person 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 so, state particulars.		
3.12	Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state?	YES / NO	
3.12.1	If so, state particulars.		

3.13	Is any spouse, child or parent of the company's directors, trustees, managers, principal shareholders or stakeholders in service of the state?	YES / NO	
3.13.1	If so, 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	
3.3	If so, furnish particulars.		
4.	Full details of directors / trustees / members / shareholders:		

COMPLETION OF THE FOLLOWING INFORMATION IS COMPULSORY:

Full Name	Identity Number	Individual Tax Number for each Director	State Employee Number

CERTIFICATION

I CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT. I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

NAME OF ENTERPRISE			
CAPACITY		DATE	
NAME (PRINT)		SIGNATURE	
1. MSCM Regulations: "in the service of the state" means to be -			
	a member of -		
a)	(i) any municipal council;		
	(ii) any provincial legislature; or		
	(iii) the National Assembly or the National Council of Provinces;		
b)	a member of the board of directors of any municipal entity;		
c)	an official or 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 entity; or		
f)	an employee of Parliament or a provincial legislature.		

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

MBD 5

**DECLARATION FOR PROCUREMENT ABOVE R 10
MILLION (VAT INCLUDED)**

Not required for this tender.

MBD 6.1

PRINCE ALBERT MUNICIPALITY	
PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017	
NB:	BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITION 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: <ul style="list-style-type: none"> ▪ the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); ▪ the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).
1.2.	The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 system shall be applicable.
1.3.	Preference points for this bid shall be awarded for: Price; and B-BBEE Status Level of Contribution.
1.3.1	The maximum points for this bid are allocated as follows:
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTION	20
Total points for Price and B-BBEE must not exceed	100
1.4.	Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
1.5.	The municipality 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 municipality.
2.	DEFINITIONS
2.1.	“all applicable taxes” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
2.2.	“B-BBEE” means broad-based black economic empowerment as defined in section 1 of the Broad -Based Black Economic Empowerment Act;
2.3.	“B-BBEE status level of contributor” means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
2.4.	“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 services, works or goods, through price quotations, advertised competitive bidding processes or proposals;

2.5.	“Broad-Based Black Economic Empowerment Act”	means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
2.6.	“comparative price”	means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
2.7.	“consortium or joint venture”	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;
2.8.	“contract”	means the agreement that results from the acceptance of a bid by an organ of state;
2.9.	“EME”	means any enterprise with annual total revenue of R5 million or less;
2.10	“Firm price”	means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
2.11	“Functionality”	means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
2.12	“non-firm prices”	means all prices other than “firm” prices;
2.13	“person”	includes a juristic person;
2.14	“rand value”	means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
2.15	“sub-contract”	means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the <i>contract</i> ;
2.16	“total revenue”	bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the <i>Government Gazette</i> on 9 February 2007;
2.17	“trust”	means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
2.18	“trustee”	means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.
3.	ADJUDICATION USING A POINT SYSTEM	
3.1.	The bidder obtaining the highest number of total points will be awarded the contract.	
3.2.	Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;	
3.3.	Points scored must be rounded off to the nearest 2 decimal places.	
3.4.	In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.	
3.5.	However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.	

3.6.	Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.		
4. POINTS AWARDED FOR PRICE			
4.1.	<p>THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS</p> <p>A maximum of 80 or 90 points is allocated for price on the following basis:</p> $P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$ <p>Where:</p> <p>P_s = Points scored for comparative price of bid under consideration P_t = Comparative price of bid under consideration P_{\min} = Comparative price of lowest acceptable bid</p>		
5. Points awarded for B-BBEE Status Level of Contribution			
5.1.	In terms of Regulation 5 (2) and 6 (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:		
5.2.	<p align="center">B-BBEE Status Level of Contributor</p>	<p align="center">Number of points (90/10 system)</p>	<p align="center">Number of points (80/20 system)</p>
	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
5.3.	Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.		
5.4.	Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.		
5.5.	A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.		
5.6.	A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.		
5.7.	Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.		
5.8.	A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract. Such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and		

	ability to execute the sub-contract.			
5.9.	A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.			
6.	BID DECLARATION			
6.1.	Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:			
7.	B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1			
7.1	B-BBEE Status Level of Contribution:		Points claimed (maximum of 10 or 20 points)	
7.2.	Points claimed in respect of paragraph 6.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA.			
8.	SUB-CONTRACTING			
8.1.	Will any portion of the contract be sub-contracted? Indicate YES / NO			
8.2.	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? Indicate YES / NO		
9.	Designated Group: An EME or QSE which is at least 51% owned by:		EME √	
	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			
	OR			
	Any EME			
Any QSE				
10.	DECLARATION WITH REGARD TO COMPANY/FIRM			
10.1	Name of firm			
10.2	VAT registration number			
10.3	Company registration number:			

10.4 Type Of Company/ Firm [TICK APPLICABLE BOX]	Partnership/Joint Venture / Consortium	
	One-person business/sole propriety	
	Close corporation	
	Ltd Company	
	(Pty) Limited	
10.5 Describe Principal Business Activities		
10.6 Company Classification [TICK APPLICABLE BOX]	Manufacturer	
	Supplier	
	Professional service provider	
	Other service providers, e.g. transporter, etc.	
10.7 Municipal Information		
Municipality where business is situated :		
Registered Account Number:		
Stand Number:		
10.8 Total number of years the enterprise has been in business?		

11. DECLARATION

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-BBEE status level of contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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 forward the matter for criminal prosecution

NAME OF ENTERPRISE: _____

CAPACITY:		DATE:	
NAME (PRINT):		SIGNATURE:	
WITNESS 1:		WITNESS 2:	

MBD 6.2

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8 (2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two-stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286:2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

- x is the imported content in Rand
y is the bid price in Rand excluding value-added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

Description of services, works or goods Stipulated minimum threshold

This bid is not subject to local production and content.

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

YES		NO	
-----	--	----	--

3.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the DTI must be informed accordingly in order for the DTI to verify and in consultation with the AO/AA provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):

.....

NB:

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on http://www.thdti.gov.za/industrial_development/ip.jsp. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of(name of bidder
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS 1: _____

DATE: _____

WITNESS 2: _____

DATE: _____

MBD 7.1

CONTRACT FORM – PURCHASE OF GOODS / WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to **PRINCE ALBERT MUNICIPALITY** in accordance with the requirements and specifications stipulated in bid number **TD190/2022** at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.

2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)

3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2.
DATE:

CONTRACT FORM - PURCHASE OF GOODS/WORKS
PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).

2. An official order indicating delivery instructions is forthcoming.

3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE

MBD 7.2

CONTRACT FORM – RENDERING OF SERVICES

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

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

- 7. I hereby undertake to render services described in the attached bidding documents to **PRINCE ALBERT MUNICIPALITY** in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number **TD190/2022** at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
- 8. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (iv) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (v) General Conditions of Contract; and
 - (vi) Other (specify)
- 9. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
- 10. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
- 11. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
- 12. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1
2
DATE:

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

4. I..... in my capacity as..... accept your bid under reference numberdated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
5. An official order indicating service delivery instructions is forthcoming.
6. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

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

SIGNED AT ON

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

2

DATE:

MBD 7.3

CONTRACT FORM – SALE OF GOODS / WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

- 13. I hereby undertake to purchase all or any of the goods and/or works described in the attached bidding documents from **PRINCE ALBERT MUNICIPALITY** in accordance with the requirements stipulated in (bid number) **TD190/2022**. at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the seller during the validity period indicated and calculated from the closing time of bid.

- 14. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (vii) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Declaration of interest;
 - Declaration of Bidder's past SCM practices;
 - Special Conditions of Contract;
 - (viii) General Conditions of Contract; and
 - (ix) Other (specify)

- 15. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) cover all my obligations and I accept that any mistakes regarding price(s) and calculations will be at my own risk.

- 16. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.

- 17. I undertake to make payment for the goods/works as specified in the bidding documents.

- 18. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.

- 19. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1.
2.
DATE:

CONTRACT FORM - SALE OF GOODS/WORKS
PART 2 (TO BE FILLED IN BY THE PURCHASER)

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

ITEM NO.	DESCRIPTION	PRICE (ALL APPLICABLE TAXES INCLUDED)		

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

3.

4.

DATE

MBD 8

PRINCE ALBERT MUNICIPALITY		
DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES		
1.	This Municipal Bidding Document 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.	
2.	The bid of any bidder may be rejected if that bidder, or any of its directors have:	
2.1	abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;	
2.2	been convicted for fraud or corruption during the past five years;	
2.3	wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or	
2.4	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).	
3.	In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.	
3.1.	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).	YES / NO
3.2.	If so, furnish particulars:	
3.3.	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	YES / NO
3.4.	If so, furnish particulars:	
3.5.	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 / NO
3.6.	If so, furnish particulars:	
3.7.	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 / NO
3.8.	If so, furnish particulars:	
3.9.	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 / NO
3.10.	If so, furnish particulars:	

4. CERTIFICATION

I, certify that the information furnished on this declaration form are 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.

NAME OF ENTERPRISE:			
NAME (PRINT):			
CAPACITY:		DATE:	
SIGNATURE:		WITNESS 1	
		WITNESS 2:	

MBD 9

**PRINCE ALBERT MUNICIPALITY
Certificate of Independent Bid Determination**

1.	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 per se prohibition meaning that it cannot be justified under any grounds
2.	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: <ul style="list-style-type: none"> 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.
3.	This Municipal Bidding Document 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.
4.	In order to give effect to the above, the following Certificate of Bid Determination must be completed and submitted with the bid:

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

Bid Number:	
Description:	

In response to the invitation for the bid issued by the **PRINCE ALBERT MUNICIPALITY**, do hereby make the following statements that I certify to be true and complete in every respect:

certify, on behalf of (Name of Bidder):	
---	--

- That:
1. I have read and I understand the contents of this Certificate;
 2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
 3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder.
 4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;

5. For the purposes of this Certificate and the accompanying bid, I understand that the word “competitor” shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - a) has been requested to submit a bid in response to this bid invitation;
 - b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - a) prices;
 - b) geographical area where product or service will be rendered (market allocation)
 - c) methods, factors or formulas used to calculate prices;
 - d) the intention or decision to submit or not to submit, a bid;
 - e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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.

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM ARE 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.

NAME (PRINT)		SIGNATURE	
CAPACITY		DATE	

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.

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 15

PRINCE ALBERT MUNICIPALITY

CERTIFICATE FOR PAYMENT OF MUNICIPAL SERVICES

(To be signed in the presence of a Commissioner of Oaths)

I, the undersigned, in submitting the accompanying bid, declare that I am duly authorised to act on behalf on:	<i>(Name of Enterprise)</i>
--	-----------------------------

I hereby acknowledge that according to SCM Regulation 38(1)(d)(i), the Municipality may reject the tender of the tenderer if any municipal rates and taxes or municipal service charges owed by the Tenderer or any of its directors/members/partners to the Prince Albert Municipality, or to any other municipality or municipal entity, are in arrears for more than 3 (three) months.

To the best of my personal knowledge, neither the firm nor any director/member/partner of said firm is in arrears on any of its municipal accounts with any municipality in the Republic of South Africa, for a period longer than 3 (three) months.

If the value of the transaction is expected to exceed R10 million (VAT included) I certify that the bidder has no undisputed commitments for municipal services towards any Municipality in respect of which payment is overdue for more than 30 days;

PHYSICAL BUSINESS ADDRESS(ES) OF THE TENDERER	MUNICIPAL ACCOUNT NUMBER

FURTHER DETAILS OF THE BIDDER'S (Directors / Shareholders / Partners, etc.):

Director / Shareholder / Partner	Physical address of the Business	Municipal Account Number (s)	Physical / Residential address of the Director / Shareholder / Partner	Municipal Account Number (s)

NB: PLEASE ATTACH CERTIFIED COPY(IES) OF IDENTITY DOCUMENT(S).

NB: PLEASE ATTACH COPY(IES) OF MUNICIPAL ACCOUNTS.

NUMBER OF SHEETS APPENDED BY THE TENDERER TO THIS SCHEDULE (IF NUL, ENTER NIL).	
---	--

Therefore, hereby agrees and authorises the Prince Albert Municipality to deduct the full amount outstanding by the Tenderer or any of its directors / members / partners from any payment due to the tenderer; and

I further hereby certify that the information set out in this schedule and/or attachment(s) hereto is true and correct. The Tenderer acknowledges that failure to properly and truthfully complete this schedule may result in the tender being disqualified, and/or in the event that the tenderer is successful, the cancellation of the contract.

NAME OF ENTERPRISE:			
NAME (PRINT):			
CAPACITY:			
SIGNATURE:		DATE:	

<p style="text-align: center;">COMMISSIONER OF OATHS</p> <p>Signed and sworn to before me at _____, on this _____ day of _____ 20__</p> <p>by the Deponent, who has acknowledged that he/she knows and understands the contents of this Affidavit, it is true and correct to the best of his/her knowledge and that he/she has no objection to taking the prescribed oath, and that the prescribed oath will be binding on his/her conscience.</p> <p>COMMISSIONER OF OATHS:</p> <p>Position: _____</p> <p>Address: _____</p> <p>Tel: _____</p>	<p>Apply official stamp of authority on this page:</p>
---	---

PRINCE ALBERT MUNICIPALITY General Conditions of Contract

1. DEFINITIONS

The following terms shall be interpreted as indicated:

"Closing time"	means the date and hour specified in the bidding documents for the receipt of bids.
"Contract"	means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
"Contract price"	means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
"Corrupt practice"	means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
"Countervailing duties"	are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally
"Country of origin"	means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
"Day"	means calendar day.
"Delivery"	means delivery in compliance of the conditions of the contract or order.
"Delivery ex stock"	means immediate delivery directly from stock actually on hand
"Delivery into consignees store or to his site"	means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
"Dumping"	occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
"Force majeure"	means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
"Fraudulent practice"	means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
"GCC"	means the General Conditions of Contract.
"Goods"	means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
"Imported content"	means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
"Local content"	means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
"Manufacture"	means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
"Order"	means an official written order issued for the supply of goods or works or the rendering of a service.
"Project site"	where applicable, means the place indicated in bidding documents.
"Purchaser"	means the organization purchasing the goods.
"Republic"	means the Republic of South Africa.
"SCC"	means the Special Conditions of Contract.

"Services"	means that functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
"Supplier"	means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
"Tort"	means in breach of contract.
"Turnkey"	means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
"Written" or "in writing"	means handwritten in ink or any form of electronic or mechanical writing.

2. Application

- 2.1. These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2. Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3. Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1. Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2. Invitations to bid are usually published in locally distributed news media and on the municipality / municipal entity website.

4. Standards

- 4.1. The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

- 5.1. The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 5.2. The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3. Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4. The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

- 6.1. The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 6.2. When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

7. Performance security

- 7.1. Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2. The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3. The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - 7.3.1. bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - 7.3.2. a cashier's or certified cheque
- 7.4. The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. Inspections, tests and analyses

- 8.1. All pre-bidding testing will be for the account of the bidder.

- 8.2. If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspections tests and analysis, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or an organization acting on behalf of the purchaser.
- 8.3. If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4. If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5. Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6. Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7. Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods which do comply with the requirements of the contract. Failing such removal, the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.
- 8.8. The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC.

9. Packing

- 9.1. The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2. The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, and in any subsequent instructions ordered by the purchaser.

10. Delivery

- 10.1. Delivery of the goods shall be made by the supplier in accordance with the documents and terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified.

11. Insurance

- 11.1. The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified.

12. Transportation

- 12.1. Should a price other than an all-inclusive delivered price be required, this shall be specified.

13. Incidental

- 13.1. The supplier may be required to provide any or all of the following services, including additional services, if any:
 - 13.1.1. performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - 13.1.2. furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - 13.1.3. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - 13.1.4. performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
 - 13.1.5. training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2. Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

- 14.1. As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
 - 14.1.1. such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
 - 14.1.2. in the event of termination of production of the spare parts:
 - 14.1.2.1. advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

- 14.1.2.2. following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

- 15.1. The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2. This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3. The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4. Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5. If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1. The method and conditions of payment to be made to the supplier under this contract shall be specified.
- 16.2. The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 16.3. Payments shall be made by the purchaser no later than thirty (30) days after submission of an invoice, statement or claim by the supplier.
- 16.4. Payment will be made in Rand unless otherwise stipulated.

17. Prices

- 17.1. Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.

18. Variation orders

- 18.1. In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price and such offers, may be accepted provided that there is no escalation in price.

19. Assignment

- 19.1. The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

- 20.1. The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract, if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

- 21.1. Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2. If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3. The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.4. Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22 without the application of penalties.
- 21.5. Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

- 22.1. Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

- 23.1. The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- 23.1.1. if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - 23.1.2. if the Supplier fails to perform any other obligation(s) under the contract; or
 - 23.1.3. if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2. In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3. Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4. If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the supplier as having no objection and proceed with the restriction.
- 23.5. Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the purchase actively associated.
- 23.6. If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- 23.6.1. the name and address of the supplier and / or person restricted by the purchaser;
 - 23.6.2. the date of commencement of the restriction
 - 23.6.3. the period of restriction; and
 - 23.6.4. the reasons for the restriction.
- These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.
- 23.7. If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

- 24.1. When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25. Force Majeure

- 25.1. Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2. If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

- 26.1. The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that

such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

- 27.1. If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2. If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3. Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4. Notwithstanding any reference to mediation and/or court proceedings herein,
 - 27.4.1. the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - 27.4.2. the purchaser shall pay the supplier any monies due for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation of liability

- 28.1. Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
 - 28.1.1. the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 - 28.1.2. the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

- 29.1. The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

- 30.1. The contract shall be interpreted in accordance with South African laws, unless otherwise specified.

31. Notices

- 31.1. Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2. The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

- 32.1. A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2. A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3. No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4. No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

33. Transfer of contracts

- 33.1. The contractor shall not abandon, transfer, cede, assign or sublet a contract or part thereof without the written permission of the purchaser.

34. Amendment of contracts

- 34.1. No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

35. Prohibition of restrictive practices

- 35.1. In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding.
- 35.2. If a bidder(s) or contractor(s) based on reasonable grounds or evidence obtained by the purchaser has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No 89 Of 1998.

- 35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

General Conditions of Contract (revised July 2010)