



## **Development Planning, Environment & Management Unit Environmental Planning & Climate Protection Department**

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### **CALL FOR PROPOSALS: EVALUATING THE WETLAND REHABILITATION FOR CLIMATE CHANGE ADAPTATION PROJECT (BMZ PROJECT) FOR THE ENVIRONMENTAL PLANNING AND CLIMATE PROTECTION DEPARTMENT, ETHEKWINI MUNICIPALITY**

**PQ NO: 7N-19955**

#### **1. Purpose**

The purpose of the current Terms of Reference is to appoint a suitably qualified service provider to evaluate the “Wetland Rehabilitation for Climate Change Adaptation Project” (the BMZ project).

#### **2. Background**

The uMhlangane catchment represents a microcosm of the developmental challenges faced by Durban, and is characterised by a poorly functioning river system, high levels of environmental degradation, and high levels of poverty and unemployment. On top of this, there is little integration of project activities within the catchment, resulting in an inefficient use of city resources. Climate change will exacerbate all of these challenges. To address this, eThekweni Municipality initiated the uMhlangane Climate Change Adaptation Programme, a cross sectoral initiative aimed at enhancing climate adaptation in the catchment through relevant biophysical and socio-economic interventions. The ‘Wetland Rehabilitation for Climate Change Adaptation project’ was initiated as a component of this broader initiative and aims to bring a number of municipal sectors together to work towards rehabilitating key wetlands and surrounding open spaces in the Riverhorse Valley area in the uMhlangane catchment. Municipal sectors that are involved in this work include:

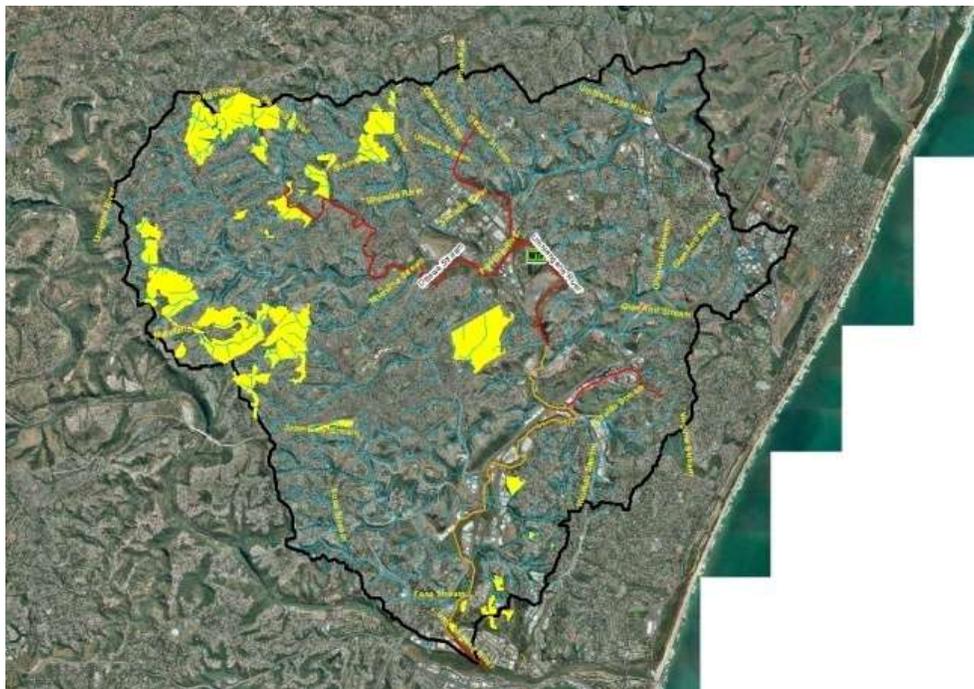
- The **Environmental Planning and Climate Protection Department** which currently coordinates this cross-sectoral programme.
- The **Coastal Stormwater and Catchment Management Department** which focuses on wetland rehabilitation and stormwater management. The intention of restoring the wetland in this area is to mitigate the impacts of flooding and to improve water quality in the river downstream.
- **Economic Development Unit’s ‘Green Corridor Project’**. As part of the wetland restoration work, management of surrounding areas of alien plant infestation is also critical. Teams made up of members from local communities are currently undertaking this work. Job creation and

training through the above-mentioned projects is seen as a critical cross-cutting issue. Wherever possible, projects are designed to maximize the number of people that can be employed.

- **EThekwini Water Services Unit.** An advanced water quality monitoring station is being tested downstream of the Northern Wastewater treatment works. This will allow the impact of activities in the catchment to be monitored more carefully. The intention is to upscale this project to other catchment areas.

In order to successfully implement the Wetland Rehabilitation for Climate Change Adaptation project significant funds were needed. The Federal Ministry for Economic Cooperation and Development (BMZ) in Germany is the main funder of the project, with additional co-funding being provided by the Free Hanseatic City of Bremen and eThekwini Municipality. The project started in 2013 and will run until December 2016.

As part of the contractual agreement for the project a range of reports are required to ensure that funds are being spent in the most effective and beneficial manner e.g. quarterly reports, annual reports, financial annual plans, etc. In addition to this it is required that a final evaluation of the BMZ project (which comprises of the following 4 sub-projects; wetland rehabilitation, invasive alien clearing, water quality monitoring and communication) is carried out by an external service provider. The outcomes of this evaluation could add value to future projects within the eThekwini Municipality with a similar focus.



The figure above shows the extent of the uMhlangane Catchment

### **3. Scope of work**

The successful service provider will be required to manage, coordinate and facilitate the evaluation of the BMZ Project. This includes but is not limited to:

#### **(1) Reviewing the relevant BMZ Project Documents for context purposes only**

- a. Background documents e.g. contract between eThekweni Municipality and Bremen and original funding proposal (which contains details of project objectives and measures)
- b. Reports i.e. quarterly and annual reports for the project's duration  
General e.g. documentation generated during scheduled engagements e.g. monitoring visits, meeting minutes, project inception meetings, etc.

#### **(2) Reviewing project achievements against original project objectives**

Conduct an independent assessment of whether:

- a. The BMZ project objectives have been achieved in relation to the indicators that were set at the onset of the BMZ project (which include measures and activities) and if not for which reasons.
- b. The indicators and monitoring mechanisms used were appropriate in terms of evaluating the project deliverables against the broader BMZ project objectives.

#### **(3) Consolidating and documenting the key lessons learnt regarding**

- a. The key technical learning's that may have emerged from the sub-projects that are more broadly applicable to others within eThekweni municipality wanting to implement projects of a similar nature
- b. The management of a cross-sectoral team for the BMZ project implementation: What has been achieved? What are the benefits? What have the challenges been?
- c. Any unexpected outcome (positive and negative) from the BMZ project or sub-projects i.e. those things that were done or learned that were not directly linked to the original project objectives.
- d. What the BMZ Project Team would have (a) kept the same and (b) done differently if the project were to be repeated.
- e. The international funding of BMZ: What were the challenges? What advantages did the international funding bring?
- f. The partnership with Bremen: What were the challenges? What advantages did the partnership bring?

#### **(4) Relevance of original BMZ project objectives**

- a. Did the project objectives meet the needs of the target groups (local population, municipality)?
- b. To what extent are the objectives of the project still valid today? Would you choose other objectives from today's point of view?

#### **(5) Understanding the sustainability of the project**

- a. To what extent are the projects sustainable and what is being put in place (if anything) to continue the work?

- b. Comment on the potential opportunity to leverage, upscale or integrate the outcomes or learning's from this work into future climate work within the municipality.

*As part of this it is anticipated that the service provider will:*

- Liaise with relevant municipal officials and the Bremen project management team to ascertain relevant information to address the areas listed above e.g. site visits, interviews (individual or group), standardized questionnaires, meetings, workshop, Skype calls etc.
- Manage the coordination of the evaluation i.e. setting up of interviews, meetings, etc.

**Please note that your proposed budget should at a minimum make allowance for one full day workshop with catering (2 teas and a light lunch) for a maximum of 10 people. Should a venue be required a municipal venue can be arranged at no cost.**

**It is important to note that while some elements have been suggested i.e. a full day workshop; we welcome creative or innovative methodologies within your proposals to ensure that the BMZ project evaluation is carried out in a sound and rigorous manner with useful outputs.**

#### **4. The following outputs are required:**

- A comprehensive BMZ Project evaluation report that addresses the items listed under 'Scope of Works' above.
- An easy to read 2-3 page information sheet that provides an overview of key learning's and pictures/graphics from the BMZ Project that would be relevant to projects of a similar cross-sectoral nature (e.g. for MILE, SKEW, City of Bremen)

#### **5. Timeframes**

A draft version of the required outputs from the evaluation must be completed by **15<sup>th</sup> of November 2016** for review by the project team (Durban and Bremen). A presentation of the evaluation findings will be required when the funders are in Durban. This will either take place in the last week of November or the first week of December. Final versions of the evaluation outputs are to be submitted by the **15<sup>th</sup> of December 2016**.

#### **6. Minimum criteria for service providers**

The following are regarded to be minimum criteria for the service provider that will be leading this project. Please note that these requirements apply to *each individual* who will play a substantive role in the evaluation:

- A minimum of 8 years relevant experience within the environmental field e.g. biodiversity and climate change.
- Demonstrated experience (at least 4 projects) in evaluating and monitoring projects of a similar nature and scale to the current contract.
- A minimum of 8years experience in managing/facilitating cross-sectoral engagements.

Please note that previous experience in working with local government or other spheres of government would be an advantage.

**Please note:** A Compulsory Briefing session will be held on the 3<sup>rd</sup> of June at 11:30 in Boardroom 1, Information Centre, Ground floor, City Engineers Building, 166 K.E Masinga Road. Attendance at this meeting is a requirement for submissions to be considered.

## 7. Requirements for submission of proposals

As part of the proposal submission process, service providers are required to submit the following:

- A detailed **written proposal** outlining their response to the proposed scope of work that clearly outlines the methodology that will be employed to deliver on the required outcomes of this process.
- The **outputs** that will be delivered.
- The **timeframes and key deliverables** - Please indicate:
  - How the work will be phased and the timeframes for each phase of work
  - The key deliverable for each work phase.
- A detailed and itemized **Budget** –
  - An inclusive budget for the full value of the applicant's services and expenses is required. Please include the hourly rate of those who will be allocated to this work, and indicate the estimated time (in hours) that each member of the team will contribute to the project. Please also ensure that the proposal is valid for at least 4 months.
- A list of the **Human Resources** that will be allocated to the completion of the work.
  - The service provider should propose the structure and composition of their team i.e. the main operational areas involved, the key staff member / expert responsible for each area, and the proposed technical and support staff.
  - The roles and responsibilities of each key staff member / expert should be described.
  - In the case of an association / joint venture / consortium, it should indicate how the duties and responsibilities are to be shared. The service provider must also indicate where key personnel are based.
- The relevant **qualifications and experience** of the service providers and the members of the team that will be allocated to this project to ensure completion of the work. It will be critical to demonstrate experience in working on projects of a similar nature. Please provide the following information for each member of the team:
  - Details of employer, contact person and telephone number
  - Description of project
  - Detail of the nature of the work undertaken
  - Date that work was undertaken

**Please note:** Service providers who are not currently registered on the city's database will need to submit their registration documents with their proposal. Registration documents can be provided on request.

## 8. Specification and Procurement Priorities

The specification has been compiled in accordance with national and international best practice and specifications. Quality and functionality are included in this 'Terms of Reference' as criteria, and will be assessed in terms of the evaluation criteria detailed below. Any bid which fails to meet the minimum threshold, of 70 out of 100 points, for functionality will be disqualified. Thereafter, only qualifying bids will be evaluated in terms of the 80/20 preference points system where 80 points are used for price only and 20 points are used for HDI ownership and/or achieving the prescribed RDP goals. The adjudication of this Request for Proposal will be in terms of the criteria presented below, and be in compliance with the scope, purpose and methodology of the intervention.

### 8.1 Functionality Assessment

The functionality assessment will be scored as follows:

Quality criteria	Sub-criteria	Max points
1.1 Response to brief and Project methodology	<b>Understanding of brief</b> - Project proposal demonstrates an understanding of the brief, and what is required to achieve the project outcomes.	10
	<b>Implementation methodology</b> - A clear evaluation outline is presented, which covers the required areas and provides some detail on what will be covered in each evaluation component.	30
1.2 Expertise and experience	<b>Qualifications of key staff</b> - The bidder is a suitably qualified professional, who is able to meet the demands of the required service	20
	<b>Relevant experience</b> - Bidder demonstrates significant experience in the areas identified in the section 'Minimum criteria for service providers'.	30
1.3 Timeframes	<b>Meeting timeframes</b> - Bidder demonstrates an ability to deliver on the project outcomes within the specified timeframes.	10
<b>Maximum possible score for functionality</b>		<b>100</b>

### 8.2 Preference points evaluation

Criterion	Weighting
Price	80 points
Empowerment – Points are determined on the basis of equity ownership of participating companies, equity of the project team and points for local business enterprises	20 points
<b>Total</b>	<b>100 points</b>

### 8.3 Adjudication table criteria

QUALITY CRITERIA	SUB CRITERIA	INDICATORS				
	Rating	Unresponsive	Poor	Satisfactory	Good	Very good
	Score	0%	40%	70%	90%	100%
	<b>Understanding of brief</b>	No relevant information is included in the submission.	The proposal shows limited understanding of the brief and what is required to undertake the work. A limited understanding of the term scope of work is demonstrated.	The proposal shows that all elements of the brief have been understood. All key areas of work have been addressed. The submission includes an acceptable explanation of what is required in each aspect of the evaluation.	The proposal demonstrates a high level of understanding of key elements of the brief. All key project criteria are identified and addressed in detail. A comprehensive explanation of each aspect of the evaluation is provided.	The proposal demonstrates a completely relevant response that is very strongly aligned with core deliverables of the evaluation. The proposal articulates each aspect of the evaluation clearly and succinctly.
<b>Implementation methodology</b>	No relevant information is included	The proposed methodology is weak in important areas and is unlikely to meet the evaluation requirements.	The proposed methodology is in line with standard practice, covers all of the key aspects and should be able to meet the requirements of the current brief.	The proposed methodology is detailed and well-conceived and demonstrates a good level of understanding in meeting the current brief.	The methodology is detailed and relevant. It responds aptly to the brief for each element.	
EXPERTISE & EXPERIENCE	<b>Qualifications of key staff</b>	No information on qualifications is provided	Key personnel allocated to the project have limited qualifications to deliver on the evaluation outcomes	Key personnel allocated to the evaluation have satisfactory qualifications	Key personnel allocated to the evaluation have qualifications that are well aligned with the work that needs to be done.	The key personnel have advanced qualifications in the relevant fields.
	<b>Relevant experience</b>	No information on experience is provided.	The service provider has limited experience in the areas required for the evaluation.	The service provider has relevant experience in all of the areas required by this evaluation.	The service provider has sound experience in all areas required by the evaluation.	The service provider has extensive experience in the areas required by the evaluation, and their experience will add value to the overall evaluation.
TIME FRAMES	<b>Timelines</b>	Timelines and budgets are not provided	A timeline and budget are provided but do not contain sufficient detail.	A timeline and budget are provided which addresses all of the elements of the brief.	A detailed timeline and budget are provided which align well with all elements of the brief.	A detailed timeline and budget are provided and possible risks to delivery have been identified, as well as possible ways to address these risks.

## 9. Details of Person for Enquiries

Please contact Cassandra Schnoor for any queries regarding this specification, on 031-311-7567 or [cassandra.abboy@durban.gov.za](mailto:cassandra.abboy@durban.gov.za) at the Environmental Planning and Climate Protection Department.

## 10. Supporting documents

The following documents must be supplied as part of the submission:

1. Proposal
2. Valid tax clearance certificate
3. P.R. number (if already registered on the procurement database)
4. BEE certificate
5. Declaration of Municipal Fees
6. MBD 2 – Tax Clearance Certificate Requirement
7. MBD 4 – Declaration of Interest
8. MBD 6.1 – Declaration of Points Claim
9. MBD 6.2 – Declaration for Local Production and Content
10. MBD 8 – Declaration of Bidders Past SCM Practices
11. MBD 9 – Certificate of Independent Bid Termination

*In addition, please take note of the following:*

The company name, contact person and contact number must be clearly stated on the first page of your submission

**Note:** If you are missing any documents, please contact Cassandra Schnoor. These forms must be completed as part of the proposal. Failure to provide these forms will result in a disqualification.

## 11. Deadline for submissions

The closing date for submissions will be the **15<sup>th</sup> of June 2016 at 11am**. Please note all submissions are required to be **hand delivered** to the **Materials Management, Corporate Procurement Building, Archie Gumede Place (formerly Old Fort Place), EThekweni Municipality; For Attention: C Schnoor, Environmental Planning and Climate Protection Department** and clearly marked with the PQ number on the envelope and proposal.

**Location of Materials Management within the Old Fort Complex:**





## DECLARATION OF MUNICIPAL CHARGES FROM TENDERER

**EtheKwini Revenue**  
Florence Mkhize Building  
251 Anton Lembede Street  
Durban  
4001

Tel: 031 328 1200  
Fax: 031 328 1002  
E-Mail: revline@durban.gov.za  
Website: <http://www.durban.gov.za>

I, \_\_\_\_\_  
(Full Name and Surname)

ID Number  in my capacity as the duly authorised member / director /  
owner or partner of

\_\_\_\_\_  
(Full name of Company / Close Corporation / partnership / sole proprietary/Joint Venture ) hereinafter referred to as the  
TENDERER

do hereby declare that all Municipal charges of the aforesaid TENDERER, are, as at the date hereunder, fully paid or an  
Acknowledgement of Debt has been concluded with the Municipality to pay the said charges in installments.

The following account details relate to property of the said TENDERER:

ACCOUNT	ACCOUNT NUMBER
ELECTRICITY	_____
WATER	_____
RATES	_____
OTHER (specify)	_____

I acknowledge that should the aforesaid Municipal charges fall into arrears, the Municipality may take such remedial action as is  
required, including termination of any contract, and any payments due to the Contractor by the Municipality shall be first set off  
against such arrears. **ATTACHED** please find copies of the above account's and or agreements signed with the municipality.

- Where the **TENDERER'S** place of business or business interests **are outside the jurisdiction** of **eThekwini municipality**,  
a copy of the accounts/agreements from the relevant municipality must be attached.
- Where the tenderer's Municipal Accounts are part of their lease agreement, then a copy of the agreement, or official letter  
to that effect is to be attached.

\_\_\_\_\_  
Full Name and Surname

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Designation

\_\_\_\_\_  
Company Stamp

\_\_\_\_\_  
Contact No

## TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid 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.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" 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 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.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 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](http://www.sars.gov.za).
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).

### 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 service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.

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

3.1 Full Name: .....

3.2 Identity Number: .....

3.3 Company Registration Number: .....

3.4 Tax Reference Number: .....

3.5 VAT Registration Number: .....

3.6 Are you presently in the service of the state\* **YES / NO**

3.6.1 If so, furnish particulars.

.....  
.....

3.7 Have you been in the service of the state for the past twelve months? **YES / NO**

3.7.1 If so, furnish particulars.

.....  
.....

\* MSCM Regulations: "in the service of the state" means to be –

- (a) a member of –
  - (i) any municipal council;
  - (ii) any provincial legislature; or
  - (iii) the national Assembly or the national Council of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

3.8 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**

3.8.1 If so, furnish particulars.

.....  
.....

3.9 Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?

**YES / NO**

3.9.1 If so, furnish particulars

.....  
.....

3.10 Are any of the company's directors, managers, principal shareholders or stakeholders in service of the state?

**YES / NO**

3.10.1 If so, furnish particulars.

.....  
.....

3.11 Are any spouse, child or parent of the company's directors, managers, principal shareholders or stakeholders in service of the state?

**YES / NO**

3.11.1 If so, furnish particulars.

.....  
.....

**CERTIFICATION**

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

**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.**

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011

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

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011.**

### 1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed/not exceed R1 000 000 (all applicable taxes included) and therefore the.....system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	POINTS
<b>1.3.1.1 PRICE</b>	.....
<b>1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION</b>	.....
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

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

### 2. DEFINITIONS

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 an 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 contract;
- 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 *Government Gazette* 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 intention is to award the contract to the bidder obtaining the highest number of total points.
- 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.



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.

- 5.3 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.
- 5.4 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.
- 5.5 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.
- 5.6 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.
- 5.7 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.
- 5.8 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: ..... = .....(maximum of 10 or 20 points)

**(Points claimed in respect of paragraph 7.1 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? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

- (i) what percentage of the contract will be subcontracted? .....%
- (ii) the name of the sub-contractor? .....
- (iii) the B-BBEE status level of the sub-contractor? .....
- (iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

**9 DECLARATION WITH REGARD TO COMPANY/FIRM**

9.1 Name of firm :.....

9.2 VAT registration number :.....

9.3 Company registration number .....  
:

9.4 TYPE OF COMPANY/ FIRM  
Partnership/Joint Venture / Consortium  
One person business/sole propriety  
Close corporation  
Company  
(Pty) Limited  
[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES  
.....  
.....  
.....

9.6 COMPANY CLASSIFICATION  
Manufacturer  
Supplier  
Professional service provider  
Other service providers, e.g. transporter, etc.  
[TICK APPLICABLE BOX]

9.7 MUNICIPAL INFORMATION  
Municipality where business is situated .....  
Registered Account Number .....  
Stand Number .....

9.8 TOTAL NUMBER OF YEARS THE COMPANY/FIRM HAS BEEN IN BUSINESS?  
.....

9.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of 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

- (e) forward the matter for criminal prosecution

**WITNESSES:**

1. ....

.....  
SIGNATURE(S) OF BIDDER(S)

2. ....

DATE:.....

ADDRESS:.....

.....

.....

.....

**DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT**

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, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x.

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9.(1) and 9.(3) make provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Regulation 9.(3) prescribes that where there is no designated sector, a specific bidding condition may be included, that only locally produced services, works or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
- 1.4. Where necessary, for bids referred to in paragraphs 1.2 and 1.3 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.
- 1.5. 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.
- 1.6. The local content (LC) as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 201x as follows:

$$LC = 1 - \left[ \frac{x}{y} \right] \times 100$$

Where

- x imported content
- y bid price 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 the South African Reserve Bank (SARB) at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid as required in paragraph 4.1 below.

1.7. A bid will be disqualified if:

- the bidder fails to achieve the stipulated minimum threshold for local production and content indicated in paragraph 3 below; and.

- this declaration certificate is not submitted as part of the bid documentation.

2. Definitions

- 2.1. **“bid”** includes advertised competitive bids, written price quotations or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the 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).
- 2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **“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 contract.

3. The stipulated minimum threshold(s) for local production and content for this bid is/are as follows:

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

- 4. Does any portion of the services, works or goods offered have any imported content? YES / NO

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.6 of the general conditions must be the rate(s) published by the SARB for the specific currency at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid.

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za).

Indicate the rate(s) of exchange against the appropriate currency in the table below:

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

**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 Municipality / Municipal Entity):  
.....

NB 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.

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 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.

(c) The local content has been calculated using the formula given in clause 3 of SATS 1286, the rates of exchange indicated in paragraph 4.1 above and the following figures:

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

If the bid is for more than one product, a schedule of the local content by product shall be attached.

(d) I accept that the Procurement Authority / Municipality /Municipal Entity has the right to request that the local content be verified in terms of the requirements of SATS 1286.

(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, may result in the Procurement Authority / Municipal / Municipal Entity imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Policy Framework Act (PPFFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

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

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

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database 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 National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**CERTIFICATION**

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
  
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
  
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
  
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
  
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

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

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_

(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

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

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

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