# Winnie Madikizela-Mandela Local Municipality

Physical Address 51Winnie-Madikizela Mandela Street Postal Address P O Box 12 Bizana



Office of the Municipal Manager Tel: 039 251 0230 Fax: 039 251 0917 mahlakal@mbizana.org.za

#### REQUEST FOR QUOTATION-WMM LM 24/02/21 P TC

## ADVERT: PROCUREMENT OF TRAFFIC CONSUMAMBLES

Quotations are hereby invited from suitable service providers for the procurement of traffic consumables. Specifications and terms of reference are available in the municipal website. <a href="https://www.winniemmlm.gov.za/quotations/">https://www.winniemmlm.gov.za/quotations/</a>

NB: MANDATORY DOCUMENTS TO BE SUBMITTED, FAILURE TO DO SO WILL LEAD TO THE QUOTATION BEING REGARDED AS NON-RESPONSIVE.

A valid Tax Pin printout as provided by SARS, Copy of company Registration/Founding Statement/CIPC Document. Certified B-BBEE certificate (SANAS Accredited) or Sworn affidavit provided by dti (certified by the commissioner of oath) or a combined B-BBEE in the case of a joint venture (non-elimination item). Signed JV Agreement for Joint venture where applicable. Prices quoted must be firm and must be inclusive of VAT for vat vendors. Certified ID Copies of Managing Directors/ Owners. No couriered, faxed, hand delivered, incomplete and late quotation will be accepted. No bidders will be considered if not registered on the Central Supplier Database or If Directors are from the Service of the State. Winnie Madikizela-Mandela Local Municipality reserves the right not to appoint the highest scoring bidder, the value for money will be the key determinant and supply chain management policy will apply. MBD 1, 4, 6.1, 6.2, 6.4, 8 and 9 are compulsory submissions. A signed certificate by the bidder and proof certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other provider in respect of which payment is overdue more than 30 days. All the certified copies of documents must not be more than 3 months old. Winnie Madikizela-Mandela Local Municipality does not bind itself to accept the lowest or any bid and reserves the right to accept the whole or part of the bid. Threshold for Local Content is 100%

Published: on the 15th June 2022 Specifications will be available in the Municipal Website as stated above.

Closing date: 22<sup>nd</sup> June 2022. All quotations must be emailed to <u>quotes.scm@mbizana.gov.za</u> by not later than 12h00 "Name of the quotation and Reference number as a subject."

Enquiries: Technical enquiries are addressed to Mr. D. N. Luphoko Manager: Security and Safety @ (082) 370 7566 email: <a href="mailto:luphokod@mbizana.gov.za">luphokod@mbizana.gov.za</a> and SCM enquiries to Supply Chain Manager, Mr. Z Khala @ 079-886 0942 email: <a href="mailto:khalaz@mbizana.gov.za">khalaz@mbizana.gov.za</a> or Info.scm@mbizana.gov.za

Mr. L. Mahlaka Municipal Manager

Supply Chain Management 🞾

madet.....Signature:

# 2. Description of Work

See Attached

# 3. Scope of Work

| ITEM  | DESCRIPTION  | OTV  |
|---|--|--|
| I LEIA!   | DESCRIPTION  | QTY  |
| Rubber  | 12 GA rubber bullets                                   | 2000   |
| Bullets   |  |  |
| Riffle live   | Riffle 223 FMJ ammunition                              | 500  |
| ammunitions   |  |  |
| Pistil live   | Pistil live ammunitions (9 MM                          | 500  |
| ammunitions   | Hand Gun)  |  |
| Rechargeable  | Rechargeable Torches                                   | 05   |
| Torches   | (Energizer Hard Case Pro                               |  |
|   | Rechargeable Hybrid Spotlight)                         |  |
| Handcuffs   | Handcuffs  | 25   |
| Pepper  | Pepper Sprays  | 50   |
| Sprays  |  |  |
| Traffic Cones   | Lime Green Traffic Cones                               | 25   |
|   | written "WMM LM TRAFFIC"                               |  |
| a practical de la constantina della constantina | Height 50mm  |  |
|   | • Weight 3.4kg   |  |
|   | • Width 295mm  |  |
|   | • Lime Green (Colour)                                  |  |
|   | Must be stable & remain                                |  |
|   | upright in windy weather                               |  |
| Variable in the second | conditions.  | 44 - Transition of the Control of th |
|   | <ul> <li>Must be strong &amp; ideal for the</li> </ul> |  |
|   | harsh conditions of roads.                             |  |
|   | Good Quality   |  |

# PART A

# **INVITATION TO BID**

| YOU ARE HEREBY INVITED TO BID FOR                                |                |            | IAME OI      | - MUNIC     |               |            |                           |
|--|----------------|------------|--------------|-------------|---------------|------------|---------------------------|
| BID NUMBER:  | CLOSING [      | DATE:      |              |             | CLOS          | ING T      | IME:                      |
| DESCRIPTION  | OUIDED TO FILL | IN AND DIG | . A. 1.8.7PM |             | CONTRACT FO   | DAR /R     | 8 M. M. T.                |
| THE SUCCESSFUL BIDDER WILL BE REBID RESPONSE DOCUMENTS MAY BE DE |                |            | NAWK         | CHIENC      | CONTRACT FO   | KIVI (IV   | IBD/).                    |
| SITUATED AT (STREET ADDRESS                                      |                | DID DOX    |              |             |               |            |                           |
| OHOMIES III (OMEEN INSSITES                                      |                |            |              |             |               |            |                           |
|  |                |            | ··           |             |               |            |                           |
|  |                |            |              |             |               |            |                           |
|  |                |            |              |             |               |            |                           |
|  |                |            |              |             |               |            | A-1                       |
|  |                |            |              |             | ·····         |            |                           |
| SUPPLIER INFORMATION   |                |            |              |             |               |            | AAA                       |
| NAME OF BIDDER   |                |            |              |             |               |            |                           |
| POSTAL ADDRESS   |                |            |              |             | ·             |            |                           |
| STREET ADDRESS   |                |            | •            |             |               |            |                           |
| TELEPHONE NUMBER CODE NUMBER                                     |                |            |              |             |               |            |                           |
| CELLPHONE NUMBER   |                |            |              |             |               |            |                           |
| FACSIMILE NUMBER   | CODE           |            |              |             | NUMBER        |            |                           |
| E-MAIL ADDRESS   |                |            |              |             |               |            |                           |
| VAT REGISTRATION NUMBER  |                | •          |              |             |               |            |                           |
| TAX COMPLIANCE STATUS  | TCS PIN:       |            |              | OR          | CSD No:       |            |                           |
| B-BBEE STATUS LEVEL VERIFICATION                                 | ☐ Yes          |            |              | B-BBE       | E STATUS      | │<br>│ □ ` | Vac                       |
| CERTIFICATE  |                |            |              | LEVEL SWORN |               |            | 165                       |
| [TICK APPLICABLE BOX]  | ☐ No           |            |              | AFFIDAVIT   |               |            | No                        |
| [A B-BBEE STATUS LEVEL VERIFICA<br>ORDER TO QUALIFY FOR PREFERE  |                |            |              | FIDAVI      | T (FOR EMES   | & QS       | Es) MUST BE SUBMITTED IN  |
|  | - Ontrole      | N D-DDLL   | -1           | ARE         | OU A FOREIGI  | N          |                           |
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA            | ☐Yes           |            | ]No          | 1           | D SUPPLIER FO |            | ☐Yes ☐No                  |
| FOR THE GOODS /SERVICES /WORKS                                   |                |            |              | 1           | SOODS /SERVI  |            |                           |
| OFFERED?   | [IF YES ENCI   | LOSE PRO   | JF]          | WOR         | KS OFFERED?   | ,          | [IF YES, ANSWER PART B:3] |
|  |                |            |              |             |               |            |                           |
| TOTAL NUMBER OF ITEMS OFFERED                                    |                |            |              | TOTA        | L BID PRICE   |            | R                         |
|  |                |            |              |             |               |            |                           |
| SIGNATURE OF BIDDER  |                |            |              | DATE        |               |            |                           |
| CAPACITY UNDER WHICH THIS BID IS SIGNED                          |                |            |              |             |               |            |                           |
| BIDDING PROCEDURE ENQUIRIES MAY                                  | BE DIRECTED TO | ):         | TECHN        | IICAL IN    | FORMATION N   | IAY B      | E DIRECTED TO:            |
| DEPARTMENT   |                |            | CONTA        | ACT PEF     | RSON          |            |                           |
| CONTACT PERSON   |                |            |              |             | IUMBER        |            |                           |
| TELEPHONE NUMBER   |                |            |              | MILE NUMBER |               |            |                           |
| FACSIMILE NUMBER   |                |            | E-MAIL       | . ADDRE     | SS            |            |                           |
| E-MAIL ADDRESS   |                | ·          |              |             |               |            |                           |

# PART B TERMS AND CONDITIONS FOR BIDDING

| 1.   | BID SUBMISSION:  |                           |   |  |  |
|------|--|---------------------------|---|--|--|
| 1.1. | BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CO CONSIDERATION.   | RRECT ADDRESS. LATE BIDS  | S WILL NOT BE ACCEPTED FOR              |  |  |
| 1.2. | ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVID  | ED-(NOT TO BE RE-TYPED)   | OR ONLINE                               |  |  |
| 1.3. | THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLIC REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (COF CONTRACT.                   |                           |   |  |  |
| 2.   | TAX COMPLIANCE REQUIREMENTS  |                           |   |  |  |
| 2.1  | BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATION   | ONS.                      | *************************************** |  |  |
| 2.2  | BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX S                                 |                           | SUED BY SARS TO ENABLE THE              |  |  |
| 2.3  | APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFIC USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTE WWW.SARS.GOV.ZA.                     |                           |   |  |  |
| 2.4  | FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTION   | NNAIRE IN PART B:3.       |   |  |  |
| 2.5  | BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGET  | HER WITH THE BID.         |   |  |  |
| 2.6  | 6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER. |                           |   |  |  |
| 2.7  | WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED OF MUST BE PROVIDED.  | I THE CENTRAL SUPPLIER DA | ATABASE (CSD), A CSD NUMBER             |  |  |
| 3.   | QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS   |                           |   |  |  |
| 3.1. | IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA   | RSA)? [                   | YES NO                                  |  |  |
| 3.2. | DOES THE ENTITY HAVE A BRANCH IN THE RSA?  | Ξ                         | YES NO                                  |  |  |
| 3.3. | DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE F  | SA?                       | YES NO                                  |  |  |
| 3.4. | DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  |                           | YES NO                                  |  |  |
| 3.5. | IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?  |                           | YES NO                                  |  |  |
|      | HE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REG<br>FEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SA                           |                           |   |  |  |
|      | FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY REI<br>BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF T                              |                           |   |  |  |
| SIG  | NATURE OF BIDDER:  |                           |   |  |  |
| CAF  | PACITY UNDER WHICH THIS BID IS SIGNED:   |                           |   |  |  |
| DAT  | -E:  |                           |   |  |  |

#### MBD 4

#### **DECLARATION OF INTEREST**

- 1. No bid will be accepted from persons in the service of the state1.
- 2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

| 3 |     | order to give effect to the above, the following questionnaire must be compo<br>emitted with the bid.   | eted and    |
|---|-----|---|-------------|
|   | 3.1 | Full Name of bidder or his or her representative:   | **********  |
|   | 3.2 | Identity Number:  |             |
|   | 3.3 | Position occupied in the Company (director, trustee, hareholder²):  | *********   |
|   | 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 id numbers and state employee numbers must be indicated in paragraph 4 below | •           |
|   | 3.8 | Are you presently in the service of the state?  | YES / NO    |
|   |     | 3.8.1 If yes, furnish particulars.  | *********** |
|   |     |   |             |

<sup>1</sup>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.
- <sup>2</sup> Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

| 3.9  | Have you been in the service of the state for the past twelve months?   | YES / NO |
|------|---|----------|
|      | 3.9.1 If yes, furnish particulars   |          |
|      | ,   | ••••     |
| 3.10 | Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?  | YES/NO   |
|      | 3.10.1 If yes, furnish particulars.   |          |
|      |   | ••       |
| 3.11 | Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?                    | YES / NO |
|      | 3.11.1 If yes, furnish particulars  |          |
|      |   |          |
| 3.12 | Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state?   | YES / NO |
|      | 3.12.1 If yes, furnish particulars.   |          |
|      |   |          |
| 3.13 | Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state?  | YES / NO |
|      | 3.13.1 If yes, furnish particulars.   |          |
| 3.14 | Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. | YES / NO |
|      | 3.14.1 If yes, furnish particulars:   |          |
|      |   |          |
|      |   |          |

| A | Full details | of directors | l truetope i | members i | shareholders. |
|---|--------------|--------------|--------------|-----------|---------------|
|   |              |              |              |           |               |

| Full Name | Identity Number | State Employee<br>Number |
|-----------|-----------------|--------------------------|
|           |                 |                          |
|           |                 |                          |
|           |                 |                          |
|           |                 |                          |
|           |                 |                          |
|           |                 |                          |
|           |                 |                          |

# CERTIFICATION

| , THE UNDERSIGNED (NAME)                                    |       |       |           |       |  |       |
|---|-------|-------|-----------|-------|--|-------|
| CERTIFY THAT THE INFORMATION FUR                            | NISHE | D ON  | THIS DEC  | LAR   | ATION FOI                              | RM IS |
| ACCEPT THAT THE MUNICIPALITY DECLARATION PROVE TO BE FALSE. | MAY   | ACT   | AGAINST   | ME    | SHOULD                                 | THIS  |
| Signature   |       |       | Date      | ••••• |  |       |
| Capacity  |       | ••••• | Name of B | idder | ······································ |       |

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

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

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

#### 1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all bids:
  - the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
  - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

- a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (delete whichever is not applicable for this tender).
- 1.3 Points for this bid shall be awarded for:
  - (a) Price; and
  - (b) B-BBEE Status Level of Contributor.
- 1.4 The maximum points for this bid are allocated as follows:

| PRICE   | POINTS |
|---|--------|
| B-BBEE STATUS LEVEL OF CONTRIBUTOR                |        |
| Total points for Price and B-BBEE must not exceed | 100    |

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

#### 2. DEFINITIONS

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

#### POINTS AWARDED FOR PRICE

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

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

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right)$$
 or  $Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$ 

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

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

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

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

## 5. BID DECLARATION

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

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

| 6.1 | B-BBEE Status Level of Contributor: | - | (maximum of 10 or 2 | 0 |
|-----|-------------------------------------|---|---------------------|---|
|     | points)                             |   |                     | _ |

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

## 7. SUB-CONTRACTING

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

(Tick applicable box)

| polici la discissario conionio popino con |      | 10000 |
|---|------|-------|
| [VEC]                                     | INOI | _     |
| 1 4 5                                     |      |       |

## 7.1.1 If yes, indicate:

|              |  | of   | the   | contract  | will          | be  |
|--------------|--|--|---|---|---------------|---|
| supcontracte | ed                                       | · · · · · · · · · · · · · · · · · · ·      | %   |   |               |   |
| The          | name                                     |  | of  | the   |               | sub-                                      |
| contractor   | ***************                          |  | *           |   |               |   |
| The          | B-BBEE                                   | status                                     | level   | of  | the           | sub-                                      |
| •            | subcontracte<br>The<br>contractor<br>The | subcontractedThe name contractorThe B-BBEE | subcontractedThe name contractorThe B-BBEE status | subcontracted% The name of contractor The B-BBEE status level | subcontracted | subcontracted% The name of the contractor |

iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)
YES NO

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

| Designated Group: An EME or QSE which is at last 51% owned | EME | QSE          |
|--|-----|--------------|
| by:  | √   | $\checkmark$ |
| Black people   |     | <del></del>  |
| Black people who are youth                                 |     |              |
| Black people who are women                                 |     |              |

# 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: 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 at no cost.

1

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

------

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.
- Guidance on the Calculation of Local Content together with Local Content 2 Declaration Templates (Annex C, D and E) is accessible 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,(                 | ull n | ames). |
|--------------------------------------|-------|--------|
| do hereby declare, in my capacity as | r )   |        |
| of(nam                               | 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 1286:2011; 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

MBD 9

#### CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 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.
- 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.
  - 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.
  - 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>&</sup>lt;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 co | omplete 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

#### MBD 9

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

| Signature | Date           |
|-----------|----------------|
| Position  | Name of Bidder |

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