

(FOR PUBLICATION ON KHAI-MAI MUNICIPALITY'S NOTICE BOARDS AND WEBSITE)

## FORMAL WRITTEN PRICE QUOTATION

NOTICE NUMBER: KH20/23/24

# KHAI-MA MUNICIPALITY

## APPOINTMENT OF A SERVICE PROVIDER FOR THE REVIEW AND DEVELOPMENT OF THE MUNICIPALITY'S STAFF ESTABLISHMENT AND JOB DESCRIPTIONS

### IMPORTANT NOTES TO BIDDERS:

- Formal written quotations must be properly received and deposit in the Tender box or emailed to munman@khaima.gov.za on or before the closing date and before the closing time at Quotation submission office, situated at the entrance to the Head office of Khai-Ma Municipality, 21 Nuwe Street, Pofadder, 8890.
- No late bids will be accepted under any circumstances.
- Subject line of email should be NOTICE NUMBER KH 20/23/24: APPOINTMENT OF A SERVICE PROVIDER FOR THE REVIEW AND DEVELOPMENT OF THE MUNICIPALITY'S STAFF ESTABLISHMENT AND JOB DESCRIPTIONS
- Quotation offers must be submitted in a sealed envelope clearly reflecting the Quotation number and description as indicated above,
- All formal quotations emailed to the email addresses stated above must be in [PDF format](#).
- Only original Formal written quotations will be accepted on the official document of the municipality.
- Do not dismember this bid document rather attached schedules and supporting documentation.
- In the event that a bidder is not registered for VAT and the bid is expected to exceed R 1 million, the bidder is expected to include a statement of intent to register for VAT.
- Bid documents of other bidders are not available to other bidders which may prejudice them in commercial competition.

| To be completed by Bidder |  |                                         |  |
|---------------------------|--|-----------------------------------------|--|
| Entity name:              |  | Address                                 |  |
| Registration Number:      |  |                                         |  |
| Telephone:                |  | Delivery Period                         |  |
| Fax:                      |  | CSD Registration number                 |  |
| Email:                    |  | Representative appointed by resolution: |  |

Starting Date: 9 November 2023

Site information/clarification meeting: None

Closing Date: 17 November Closing Time: 10:00

Contact the SCM Unit on advice on completing the bid documentation  
Procurement Officer Ms. Melissa Cloete – (054) 933 0044, intern1@khaima.gov.za

### SCM Officials in attendance at the opening of the Bids

|    | Name | Signature |
|----|------|-----------|
| 1. |      |           |
| 2. |      |           |

## KHAI-MA MUNICIPALITY

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**KHAI-MA MUNICIPALITY**  
***INVITATION TO BID***

(SCOPE OF PROCUREMENT SERIES – BETWEEN R 30,000 AND R 200,000)

NOTICE NO.: KH20/23/24

Starting Date: 9 November 2023 Closing Date: 17 November Closing Time: 10:00

SPECIFICATION ENQUIRIES: Ms. M. Cloete (054) 933 0044

**APPOINTMENT OF A SERVICE PROVIDER FOR THE REVIEW AND DEVELOPMENT OF THE  
MUNICIPALITY'S STAFF ESTABLISHMENT AND JOB DESCRIPTIONS**

Formal written quotations are hereby invited for the **APPOINTMENT OF A SERVICE PROVIDER FOR THE REVIEW OF THE MUNICIPALITY'S STAFF ESTABLISHMENT AND JOB DESCRIPTIONS** as described in the specifications of the Bid documents.

Quotation documents and specifications are available from the municipal website ([www.khaima.gov.za](http://www.khaima.gov.za)) or at the Supply Chain Management Unit -Ms. M. Cloete( 054) 933 0044, intern1@khaima.gov.za, at the Head Office –21 Nuwe Street, Pofadder, Khai-Ma Municipality).

Quotations can be emailed to -intern1@khaima.gov.za (**subject line of email should be KH20/23/24: APPOINTMENT OF A SERVICE PROVIDER FOR THE REVIEW OF THE MUNICIPALITY'S STAFF ESTABLISHMENT AND JOB DESCRIPTIONS**) or can be handed in at Khai-Ma Municipality, 21 Nuwe Street, Pofadder, 8890 on /or before **10:00** on Friday, 17 November, 2023. Forms, MBD 1, MBD 3.2, MBD 4, MBD 5, MBD 6.1, MBD 6.2, MBD 8, MBD 9, SCM 1, SCM 2 and other schedules must be completed in the prescribed bid document.

In case of a transaction with a value of R 30 000 or more (including VAT), the Municipality follows the Procurement Policy where 80 points are awarded for price and 20 points for B-BBEE objectives. Furthermore, formal written quotations also evaluated in terms of the Supply Chain Management Policy and Preferential Procurement Policy of the municipality. More information is available from the Procurement Officer (Ms. Melissa Cloete) obtained from telephone number (054) 933 0044, or intern1@khaima.gov.za.

**The following conditions will apply;**

- All formal quotations emailed to the email addresses stated above must be in **PDF format**.
- A B-BBEE rating certificate from SANAS accredited agency or exemption (EME) for businesses with a turnover of less than threshold gazetted from a Registered Accounting officer (as stated in section 60 of the Close Corporation Act, 1984), or an original Sworn Affidavit must accompany each Quotation.
- Bidders must be registered on the Central Supplier Database of National Treasury OCPO. [www.csd.gov.za](http://www.csd.gov.za)
- No person employed by the government (National, Provincial, Municipality) may be considered for this Quotation.
- Local Content and Production will not apply for this formal quotation.
- The Municipal Accounts of the company and its directors must accompany the quotation.
- No quotation will be considered to a person or company that over the past five years been convicted of:
  - (a) Fraud, corruption or a criminal offence.
  - (b) The suspension, early termination or unsuccessful completion of a municipal or government contract.

Late, faxed or incomplete formal quotations will not be accepted. Proof of dispatch of quotation will not be regarded as proof of receipt thereof.

The Municipality reserves the right to withdraw and / or to re-advertise or reject any quotation or partially accept it. The Municipality does not bind itself to accept the lowest or any quotation

**Me. S. Tatas-Titus**  
**MUNICIPAL MANAGER**

## **(2). STANDARD CONDITIONS OF QUOTATION/ INSTRUCTIONS TO BIDDERS**

NOTICE NO.: KH17/23

STARTING DATE: 9 November 2023 Closing Date: 17 November 2023 Closing Time: 10:00

**ALL QUOTATION CONDITIONS AND/OR INSTRUCTIONS SET OUT BELOW MUST BE STRICTLY ADHERED TO, FAILING WHICH THIS QUOTATION SUBMISSION MAY BE DECLARED NON-RESPONSIVE.**

### **2.1. General**

- 2.1.1. No quotation will be considered unless submitted on the Khai-Ma Price Quotation Form.
- 2.1.2. Any portion of the quotation document not completed will be interpreted as “not applicable”. Notwithstanding the afore-going, failure to complete any compulsory portion of the Quotation Form may result in the Quotation being declared non-responsive.
- 2.1.3. Formal written quotations must be properly received and deposited in the designated Quotation box (as detailed on the front page of this Quotation document) in the relevant Quotation box at the Quotation Submission Office situated at 21 Nuwe Street, Pofadder, 8890 or emailed to [intern1@khaima.gov.za](mailto:intern1@khaima.gov.za) on or before the closing date and before the closing time. If the Quotation submission is too large to fit in the allocated box, please enquire at the public counter for assistance.
- 2.1.4. Khai-Ma reserves the right to accept:
  - (a) or reject any variation, deviation, Quotation offer, or alternative Quotation offer, and may cancel the Quotation process and reject all Quotation offers at any time before the formation of a contract. Khai-Ma Municipality shall not accept or incur any liability to a Bidder for such cancellation and rejection, but will give written reasons for such action upon receipt of a written request to do so.
  - (b) a Quotation offer which does not in Khai-Ma Municipality’s opinion materially and/or substantially deviate from the terms, conditions and specifications of the Quotation Form.
  - (c) the whole Quotation or part of a Quotation or any item or part of any item, or to accept more than one Quotation (in the event of a number of items being offered), and Khai-Ma Municipality is not obliged to accept the lowest or any Quotation.
- 2.1.5. Khai-Ma Municipality shall not consider Formal written quotations that are received after the closing date and time for such a Quotation (late Formal written quotations).
- 2.1.6. Khai-Ma Municipality will not be held responsible for any expenses incurred by Bidders in preparing and submitting Formal written quotations.
- 2.1.7. Khai-Ma Municipality may, after the closing date, request additional information or clarification of Formal written quotations in writing.
- 2.1.8. A Bidder may request information, after the closing date, in accordance with the Promotion of Administrative Justice Act, Act 3 of 2000, and the Promotion of Access to Information Act, Act 2 of 2000.
- 2.1.9. A Bidder may request in writing, after the closing date, that the Quotation offer be withdrawn. Such withdrawal will be permitted or refused at the sole discretion of Khai-Ma Municipality after consideration of the reasons for the withdrawal, which shall be fully set out by the Bidder in such written request for withdrawal.
- 2.1.10. Should the Quotation offer be withdrawn in contravention of 2.1.9 above, the Bidder agrees that:

- (a) it shall be liable to Khai-Ma Municipality for any additional expense incurred or losses suffered by Khai-Ma Municipality in having either to accept another Quotation or, if new Formal written quotations have to be invited, the additional expenses incurred or losses suffered by the invitation of new Formal written quotations and the subsequent acceptance of any other Quotation;
  - (b) Khai-Ma Municipality shall also have the right to recover such additional expenses or losses by set-off against monies which may be due or become due to the Bidder under this or any other Quotation or contract or against any guarantee or deposit that may have been furnished by the Bidder or on its behalf for the due fulfilment of this or any other Quotation or contract. Pending the ascertainment of the amount of such additional expenses or losses, Nama Khoi Municipality shall be entitled to retain such monies, guarantee or deposit as security for any such expenses or loss.
- 2.1.11. The Bidder agrees that this Quotation and its acceptance shall be subject to the terms and conditions contained in Khai-Ma Municipality Supply Chain Management Policy (“SCM Policy”)
- 2.1.12. Notwithstanding any requests for confirmation of receipt of notices issued to the Bidders, the Bidder shall be deemed to have received such notice if Khai-Ma Municipality can show proof of transmission thereof via electronic mail, facsimile or registered post.
- 2.1.13. Unless otherwise stated in this Quotation document, all information submitted by the Bidder contained in other documents for example, cover letters, brochures, catalogues etcetera submitted with the Quotation offer, will not be considered during evaluation unless such documents have been recorded and referenced in **PART B [17]: List of Other Documents Attached by Bidder.**

## 2.2. Resolutions and Authorities

A Quotation submitted:

- 2.2.1. by a registered company may not be considered unless accompanied by a resolution by the Directors of the company authorizing the Quotation to be made and the signatory to sign the Quotation on the company’s behalf (**PART B 13** to be completed);
- 2.2.2. by a registered close corporation may not be considered unless accompanied by written authority from all the members of the close corporation authorizing the Quotation to be made and the signatory to sign the Quotation on the close corporation’s behalf (**PART B 13** to be completed);
- 2.2.3. by a partnership/joint venture/consortium may not be considered unless accompanied by written authority from all parties to the partnership/joint venture/consortium authorizing the Quotation to be made and the signatory to sign the Quotation on the partnership//joint venture/consortium’s behalf (**PART B 11** to be completed).

## 2.3. Partnerships/Joint Ventures(JV’s)/Consortiums

In the case of partnerships/joint ventures/consortiums, a copy of the partnership/joint venture/ consortium agreement must be submitted with the Quotation document. All parties/partners to the partnership/joint venture/consortium agreement must be registered on Khai-Ma Municipality’s Vendor Database.

## 2.4. Validity Period

- 2.4.1. A Quotation submitted shall remain valid, irrevocable and open for acceptance by Khai-Ma Municipality for seven (7) days .
- 2.4.2. A Quotation submitted shall further be deemed to remain valid after the expiry of the above mentioned seven (7) days period, until formal acceptance by Khai-Ma Municipality, unless Khai-Ma Municipality is notified in writing by the Bidder of anything to the contrary (including any further conditions the Bidder may introduce).

- 2.4.3. Any further conditions that the Bidder may introduce will be considered at the sole discretion of Khai-Ma Municipality.

## **2.5. Tax clearance**

- 2.5.1. Bidders shall be registered and in good standing with the South African Revenue Service (SARS). In this regard, it is the responsibility of the Bidder to submit to Khai-Ma municipality documentary evidence in the form of an original valid Tax Clearance Certificate issued by SARS.
- 2.5.2. Each party to a Partnership/Joint Venture/Consortium shall submit a separate Tax Clearance Certificate.
- 2.5.3. Bidders are to note that Khai-Ma Municipality will not award a contract to a Bidder whose tax matters are not in order.
- 2.5.4. Bidders that have a verified SARS e-filing notification that tax matters are in order may also submit within 10 days of being so requested by the municipality, an original and valid tax certificate.

## **2.6. Broad-based Black Economic Empowerment**

- 2.6.1. The number of preference points shall be determined from the B-BBEE status level certificates submitted in terms of **PART B 5: Preference Schedule**, using the status as at the closing date for submission of Quotation offers.
- 2.6.2. Bidders that sub-contract more than 25% of the value of the contract to sub-contractors that do not have an equal or higher B-BBEE status level than the Bidder, unless the intended sub-contractors are exempted micro enterprises that have the capability and ability to execute the sub-contract work, will forfeit preference points.

## **2.7. Independent Bid Determination**

- 2.7.1. Bidders must complete, sign and submit, together with their Quotation or upon being requested to do so in writing, a certificate of independent bid determination (**PART B 8** hereto) failing which the Quotation offer may be declared non-responsive.
- 2.7.2. Formal written quotations may also be declared non-responsive if it is determined on reasonable grounds or evidence that the Formal written quotations are submitted by Bidders:
- (a) who (notwithstanding having submitted duly completed certificates of independent Quotation determination) are nevertheless deemed to have knowledge of the contents of any other Bidder's offer and/or has submitted a certificate which is not true and correct in every respect;
  - (b) in a horizontal relationship which has the effect of substantially preventing or lessening competition in a market, subject to the exceptions as set out in section 4(1)(a) of the Competitions Act, 89 of 1998;
  - (c) who are presumed to be firms engaged in a restrictive horizontal practice as contemplated in section 4(1)(b) read with section 2 of the Competitions Act, 89 of 1998;
  - (d) in a vertical relationship which has the effect of substantially preventing or lessening competition in a market, subject to the exceptions as set out in section 5(1) of the Competitions Act, 89 of 1998.

## **2.8. Fronting**

- 2.8.1. Khai-Ma Municipality supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner.

2.8.2. Against this background, Khai-Ma Municipality condemn any form of fronting.

2.8.3. Khai-Ma Municipality, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry / investigation, the onus will be on the bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the bidder /contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the Khai-Ma Municipality may have against the bidder / contractor concerned.

## **2.9. Prohibited practices**

2.9.1. In terms of section 4 (1) 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:

- directly or indirectly fixing a purchase or selling price or any other trading condition;
- dividing markets by allocating customers, suppliers, territories or specific types of goods or services; or
- collusive bidding.

2.9.2. If a bidder(s) or contractor(s), in the judgment of the purchaser, has / have engaged in any of the restrictive practices referred to above, the purchaser may refer the matter to Special Requirement and Conditions of Contract the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

2.9.3. If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of any of the restrictive practices 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.

## **2.10. Undertaking – not being actual manufacturer of products**

2.10.1. In the event of the bidder not being the actual manufacturer and will be sourcing the products from another company, a letter from that entity/ supplier(s) confirming firm supplier arrangement(s) including lead times in this regard, must accompany your bid at the closing time and date.

2.10.2. The said company/ manufacturer/ supplier issuing the letter must confirm that it has familiarised itself with the item description/ specifications and bid conditions and if the bid consist of more than one item, it should be clearly indicated i.r.o which item(s) the supportive letter has been issued.

2.10.3. It must be indicated in the letter that all the terms and conditions are mutually agreed upon.

## **2.11. Counter conditions**

2.11.1. Bidders attention is drawn to the fact that amendments to any Special Conditions by bidders will result in the unvalidation of such bids.

## **2.12. Inducements, rewards, gifts and other abuses of the Supply Chain Management System**

- 2.12.1. No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may directly or indirectly through a representative or intermediary promise, offer or grant:
- a) any inducement or reward to Kha-Ma Municipality for or in connection with the award of a contract; or
  - b) any reward, gift, favour or hospitality to any official or any other role player involved in the implementation of the supply chain management policy.
- 2.12.2. No person may influence or interfere with the work of any Kha-Ma Municipality officials involved in the Quotation process in order to *inter alia*:
- a) influence the process and/or outcome of a bid;
  - b) incite breach of confidentiality and/or the offering of bribes;
  - c) cause over and under invoicing;
  - d) influence the choice of procurement method or technical standards;
  - e) influence any Khai-Ma Municipality Official in any way which may secure an unfair advantage during or at any stage of the procurement process.
- 2.12.3. Abuse of the Supply Chain Management System is not permitted and may result in the Quotation being rejected, cancellation of the contract, “blacklisting” and/or any such remedies as determined by the municipality’s SCM Policy and the Blacklisting Policy.

### **2.13. Declarations and authorization**

Bidders are required to complete all statutory declarations and authorisations in the schedules attached hereto failing which the Quotation may be disqualified in terms of Evaluation Criteria.

### **2.14. Expenses due to the preparation and submission of bid documents**

Khai-Ma Municipality shall not be liable for any expenses or losses incurred by the Bidder/bidder due to visiting the site or municipal area and the preparation and/or submission of the Quotation/bid documents.

### **2.15. Acceptance or rejection of bids**

Khai-Ma Municipality is not compelled to accept the lowest or any Quotation/bid and reserves the right to accept any Quotation/bid.

### **2.16. Awards to Bidders who are not the highest ranked**

- 2.16.1. Normally the Bidder that scores the highest number of adjudication points must be recommended for acceptance, unless objective criteria justify the acceptance of another Quotation.
- 2.16.2. The bidder will still have to satisfy objective criteria which may include the following;
- (a) The bidder has demonstrated that it has the necessary resources and skills required to fulfill its obligations in terms of the Quotation document;
  - (b) It does not pose any commercial or legal risk to Khai-Ma Municipality;
  - (c) It is not currently subject to action in accordance with the SCM Policy.

### **2.17. Quantities, orders and delivery**

#### **2.17.1. Delivery adherence**

- (a) Firm delivery periods should be indicated for the duration of the contract. All-inclusive delivery price should be specified.
- (b) Delivering of products must be made in accordance with instructions appearing on the official order.

- (c) All deliveries must be accompanied by a delivery note stating official order number against which the delivery has been affected.
- (d) In respect of items awarded to them bidders must adhere strictly to delivery periods Tendered by them in they bids.
- (e) Deliveries not complying with the order will be returned to the contractor at the contractor's expense.

#### **2.17.2. Quantities and orders**

- (a) The supplier should not deviate from the order issued.
- (b) The municipality is under no obligation to purchase any stock/ or service in excess of indicated quantities of each item.

### **2.18. Product adherence**

In the event that a bidder offers a specific brand against an item and the item is subsequently awarded to the bidder, it is required of the successful bidder to achieve to the brand awarded throughout the contract period. In the event that the brand is discontinued, the municipality should be notified of such occurrence.

### **2.19. Reporting and performance measures**

The following performance measures are applicable to this contract and should be adhered to by the successful bidder

#### **2.19.1. Supplier measures**

- (a) Delivery period adherence and quality adherence
- (b) Open item statement from the beginning of contract with reference to every order from Khai-Ma Municipality.

#### **2.19.2. End user measures**

- (a) On time payment in terms of MFMA. Khai-Ma Municipality handles its accounts strictly 30 days net of a valid tax invoice in terms of the MFMA.
- (b) On time placement of order

### **2.20. Alterations to bid documents**

Do not make any alterations or additions to the bid document, except as to comply with instructions issued by the municipality, or to make the necessary corrections made by the bidder. All signatories to the Quotation offer shall initial all such alterations. Erasures and the use of masking fluid are prohibited

### **2.21. Alternative Quotation offers**

2.21.1. Alternative bids can be submitted provided that an acceptable bid, which complies with the bid conditions and specifications and submitted strictly in accordance with the bid documents, is also submitted.

2.21.2. An alternative bid shall be submitted on a separate complete set of bid documents or in accordance with such conditions as may be set out in the bid document and shall be clearly marked "Alternative Bid" to distinguish it from the acceptable bid referred to above.

2.21.3. All acceptable bids (excluding alternative bids) shall first be evaluated in accordance with the bid conditions and ranked. Only the alternative of the highest ranked acceptable bid (that is, submitted by the same bidder) may be considered, and if appropriate, recommended for award.

2.21.4. Alternative bids of any but the highest ranked acceptable Quotation, shall not be considered.

- 2.21.5. If the alternative bid of the highest ranked acceptable Quotation is considered to have merit, then the alternative bid shall be ranked along with all of the acceptable Formal written quotations received.
- 2.21.6. An alternative of the highest ranked acceptable Quotation that is priced higher than the first ranked Quotation may be recommended for award, provided that the ranking of the alternative bid is higher than the ranking of the next ranked acceptable Quotation.
- 2.21.7. Khai-Ma Municipality however will not be bound to consider alternative bids.

## **2.22. Closing date**

- 2.22.1. Please ensure that your bid is submitted within the closing date and time of the bid. Accept that proof of posting will not be accepted as proof of delivery.
- 2.22.2. Accept that if the employer extends the closing date and time stated in the bid documents for any reason, the requirements of these conditions of Quotation apply equally to the extended deadline.

## **2.23. Issue Addenda and Extension of Closing Date/Time**

- 2.23.1. If necessary, the Municipality may issue addenda that may amend or amplify the Quotation documents to each Bidder during the period from the date the Bidder documents are available until seven days before the Quotation closing time stated in the Quotation documents. If, as a result, a Bidder applies for an extension to the closing time stated in the Quotation Documents, the Municipality may grant such extension and shall then notify all Bidders who drew documents.
- 2.23.2. The register of entities that has drawn Quotation documents shall be used as the distribution list for any addenda. Each person/entity who collects Quotation documents must supply an e-mail address written legibly with each character clearly identifiable. The Municipality may inform the Bidders by way of an e-mail to such e-mail address. Where the Municipality transmits an e-mail to such address, incorrect addresses due to legibility shall be the Bidders risk.
- 2.23.3. Notwithstanding any request for confirmation of receipt of Addenda issued, the Bidder shall be deemed to have received such addenda if the Municipality can show proof of transmission thereof (or a notice in respect thereof) via electronic mail, facsimile or registered post.
- 2.23.4. The Municipality may on reasonable grounds extend the closing date/time stated in the Quotation Documents, by notifying all Bidders who drew or downloaded documents as set out in clause 3.25.2 above.

## **2.24. Invalid Formal written quotations**

The Municipal Manager shall consider the bids received and shall note for inclusion in the evaluation report a bidder whose Quotation is considered by the Municipal Manager to be invalid and eliminated from further evaluation for any of the following reasons:

- 2.24.1. the Quotation, including the Quotation amount, where applicable, is not submitted on the official Form of Offer (**Part A3**)
- 2.24.2. the Quotation document is not completed in non-erasable handwritten, or printed, ink or toner;
- 2.24.3. the Form of Offer has not been signed;
- 2.24.4. the Form of Offer (**Part A3**) is signed, but the name of the Bidder is not stated, or is indecipherable;
- 2.24.5. if in a two envelope system, the Bidder fails to submit a separately sealed financial offer/Quotation.

## 2.25. Non-Responsive Formal written quotations

2.25.1. Valid Formal written quotations will be declared non-responsive and eliminated from further evaluation if:

- a) The Bidder has been listed on the National Treasury's Register for Quotation Defaulters in terms of the Prevention and Combating of Corrupt Activities Act, Act 12 of 2004, or has been listed on the National Treasury's List of Restricted Suppliers and who is therefore prohibited from doing business with the public sector.
- b) The Bidder is prohibited from doing business with the Kha-Ma municipality in terms of the SCM Policy.
- c) The Quotation does not comply with the Specification(s) (**PART E1**).
- d) The Quotation does not comply with the instructions as contained in the Price Schedule (**PART C2**) and/or **Contract Price Adjustment and Rate of Exchange Variation** (where applicable).
- e) The Bidder has not achieved the minimum functionality scoring/points as set out in the Quotation document (if applicable).
- f) The Bidder 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 from bidding for any resulting contracts.
- g) The Bidder does not submit prices for all Items.
- h) The Bidder does not submit firm prices for each of the contract. (As indicated in the Price Schedule)

2.25.2. Formal written quotations will be declared non-responsive if the Bidder 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 Formal written quotations as set out in the SCM Policy;
- b) Comply with one or more of the provisions contained in the Conditions of Quotation;
- c) Comply with any other terms and conditions of the Quotation as contained in the bid document;
- d) Complete and/or sign any declarations and/or authorizations;
- e) Submit an original and valid tax clearance certificate from the South African Revenue Services (SARS) certifying that the taxes of the Bidder are in order;
- f) Comply with any applicable Bargaining Council agreements;
- g) The bidder and/or company's municipal rates and taxes account is in arrears for more than 90 days.
- h) Submit an incomplete document (All MBD forms must be completed and signed).

2.25.3. Clause 2.25.2 above is not a closed list, and requests may include but are not limited to – the items referred to in a) to f) above.

## 2.26. Evaluation of Formal written price quotations

2.26.1. All Formal written quotations received shall be evaluated in accordance with the Municipal Finance Management Act, Act 56 of 2003 (read with its accompanying Supply Chain Management Regulations), Khai-Ma Municipality's SCM Policies, and the Preferential Procurement Policy Framework Act, Act 5 of 2000 (read with its accompanying regulations).

2.26.2. Points for price will be allocated in accordance with the formula stipulated in legislation above, 80/20 based on the sum of the prices in relation to the estimated minimum quantities 20 Points will be awarded for BBBEE Status level of the bidder.

## 2.27. Negotiations with preferred bidders

2.27.1. The Municipal Manager (or his delegated authority) may authorize the negotiation of the final terms of a contract with Bidders identified through a competitive bidding process as preferred Bidder provided that such negotiation:

- (a) does not allow any preferred Bidder a second or unfair opportunity;
- (b) is not to the detriment of any other Bidder; and
- (c) does not lead to a higher price than the Quotation as submitted.

2.27.2. Minutes of such negotiations must be kept for record purposes.

2.27.3. If negotiations fail to result in acceptable contract terms, the Municipal Manager (or his delegated authority) may terminate the negotiations and invite the next ranked Bidder for negotiations. The original preferred Bidder should be informed of the reasons for termination of the negotiations. Once negotiations are commenced with the next ranked Bidder, earlier negotiations may not be reopened by the Khai-Ma Municipality.

2.27.4. The provisions of clauses 2.27.1 to 2.27.3 shall apply to the invitation to negotiate of the next ranked Bidder, mutatis mutandis.

## **2.28. Taking action due to non-performance**

Where the employer terminates the contract due to default of the contractor or supplier in whole or in part, the employer may decide may impose a restriction penalty on the contractor in terms of Section 13 of the Preferential Procurement Regulations on supplier or contractor.

## **(PART B) RETURNABLE DOCUMENTS**

1. INVITATION TO BID (MBD 1)
2. ORIGINAL TAX CLEARANCE CERTIFICATE REQUIREMENTS (MBD 2)
3. PRICING SCHEDULE – FIRM PRICES (SERVICES) (MBD 3.3)
4. DECLARATION OF INTEREST – EMPLOYEES IN THE SERVICE OF THE STATE (MBD 4)
5. PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011 (MBD 6.1)
6. DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS (MBD 6.2) NOT APPLICABLE
7. DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (MBD 8)
8. CERTIFICATE OF INDEPENDENT BID DETERMINATION (MBD 9)
9. DECLARATION ON STATE OF MUNICIPAL ACCOUNTS AT ALL MUNICIPALITIES (SCM 1)

# 1. INVITATION TO BID (MBD 1)

**NOTICE NO.: KH20/23/24**

**STARTING DATE: 9 November 2023 Closing Date: 17 November 2023 Closing Time: 10:00**

## PART A INVITATION TO BID

|                                                                                                       |                                                                                                                                        |               |                  |               |       |
|-------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|---------------|------------------|---------------|-------|
| <b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)</b> |                                                                                                                                        |               |                  |               |       |
| NOTICE NUMBER:                                                                                        | KH20/23/24                                                                                                                             | CLOSING DATE: | 17 November 2023 | CLOSING TIME: | 10:00 |
| DESCRIPTION                                                                                           | <b>APPOINTMENT OF A SERVICE PROVIDER FOR THE REVIEW AND DEVELOPMENT OF THE MUNICIPALITY'S STAFF ESTABLISHMENT AND JOB DESCRIPTIONS</b> |               |                  |               |       |
| <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).</b>     |                                                                                                                                        |               |                  |               |       |

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX  
SITUATED AT 21 Nuwe Street, Pofadder

**The Municipal Manager, 21 Nuwe Street, Pofadder, 8890**

### SUPPLIER INFORMATION

|                                                                    |                                                             |  |                                                                                                    |         |  |
|--------------------------------------------------------------------|-------------------------------------------------------------|--|----------------------------------------------------------------------------------------------------|---------|--|
| NAME OF BIDDER                                                     |                                                             |  |                                                                                                    |         |  |
| POSTAL ADDRESS                                                     |                                                             |  |                                                                                                    |         |  |
| STREET ADDRESS                                                     |                                                             |  |                                                                                                    |         |  |
| TELEPHONE NUMBER                                                   | CODE                                                        |  | NUMBER                                                                                             |         |  |
| CELLPHONE NUMBER                                                   |                                                             |  |                                                                                                    |         |  |
| FACSIMILE NUMBER                                                   | CODE                                                        |  | NUMBER                                                                                             |         |  |
| E-MAIL ADDRESS                                                     |                                                             |  |                                                                                                    |         |  |
| VAT REGISTRATION NUMBER                                            |                                                             |  |                                                                                                    |         |  |
| TAX COMPLIANCE STATUS                                              | TCS PIN:                                                    |  | OR                                                                                                 | CSD No: |  |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX] | <input type="checkbox"/> Yes<br><input type="checkbox"/> No |  | B-BBEE STATUS LEVEL SWORN AFFIDAVIT<br><input type="checkbox"/> Yes<br><input type="checkbox"/> No |         |  |

**[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]**

|                                                                                               |                                                                                       |                                                                          |                                                                                          |
|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED? | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br>[IF YES ENCLOSE PROOF] | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br>[IF YES, ANSWER PART B:3] |
| TOTAL NUMBER OF ITEMS OFFERED                                                                 |                                                                                       | TOTAL BID PRICE                                                          | R                                                                                        |
| SIGNATURE OF BIDDER                                                                           | .....                                                                                 | DATE                                                                     |                                                                                          |
| CAPACITY UNDER WHICH THIS BID IS SIGNED                                                       |                                                                                       |                                                                          |                                                                                          |

### BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:

|                  |                       |                  |                  |
|------------------|-----------------------|------------------|------------------|
| DEPARTMENT       | Finance               | CONTACT PERSON   | Jan Liebenberg   |
| CONTACT PERSON   | Melissa Cloete        | TELEPHONE NUMBER | (954) 933 1007   |
| TELEPHONE NUMBER | (054) 933 1002        | FACSIMILE NUMBER |                  |
| FACSIMILE NUMBER |                       | E-MAIL ADDRESS   | hr@khaima.gov.za |
| E-MAIL ADDRESS   | Intern1@khaima.gov.za | CELLPHONE        | 082 564 1293     |

### TECHNICAL INFORMATION MAY BE DIRECTED TO:

## PART B TERMS AND CONDITIONS FOR BIDDING

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

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

SIGNATURE OF BIDDER: .....

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

DATE: .....

## 2. TAX CLEARANCE CERTIFICATE REQUIREMENTS (MBD 2)

- 2.1. 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.
- 2.2. In order to meet this requirement bidders are required to complete in full the 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.
- 2.3. 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.
- 2.4. 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.
- 2.5. In bids where Consortia / Joint Ventures / Sub-contractors are involved; each party must submit a separate Tax Clearance Certificate.
- 2.6. 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).
- 2.7. 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).
- 2.8. Khai-Ma Municipality reserves the right to check with SARS if a tax certificate is valid or not.
- 2.9. Attached original tax certificate to this returnable schedule.

### **3. PRICING SCHEDULE – FIRM PRICES (SERVICES) MBD 3.3**

- 3.1. Only firm prices will be accepted.
- 3.2. Non-firm prices including prices subject to rates of exchange will not be considered.
- 3.3. In cases where different delivery points influence the pricing, a separate pricing schedule must be submitted for each delivery point.
- 3.4. Offer must be valid for **30 days** from the closing date of the bid.
- 3.5. The **total bid price amount** included taxes is: R \_\_\_\_\_
- 3.6. The **total bid price** included taxes in **words** is: \_\_\_\_\_
- 3.7. These items must be delivered to Pofadder at the Municipal Office of the municipality.
- 3.8. All the delivery costs must be included in the bid price.
- 3.9. Period of delivery from the estimated date of contract and order being finalised
- Indicate **firm delivery period** Date \_\_\_\_\_ Weeks \_\_\_\_\_ days \_\_\_\_\_
- 3.10. Does the offer comply with the specifications as required? **YES/NO**.
- 3.11. Complete the pricing schedule on **PART C2** and transfer total price included taxes to paragraph 3.5 above.

#### 4. DECLARATION OF INTEREST (MBD 4)

- 4.1. No bid will be accepted from persons in the service of the state\*.
- 4.2. 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.
- 4.3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.
- 4.3.1 Full Name of enterprise:
- .....
- 4.3.2 Physical address of local office:
- .....
- 4.3.3 Identity Number if sole proprietor:
- .....
- 4.3.4 Company Registration Number:
- .....
- 4.3.5 Tax Reference Number: .....
- 4.3.6 VAT Registration Number, if any:
- .....
- 4.4. The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.
- 4.5. Are you presently in the service of the state **YES / NO \***

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.

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

If so, furnish particulars.

4.7. 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**

If so, furnish particulars.

4.8. 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**

If so, furnish particulars.

4.9. Are any of the entity directors, managers, principal shareholders or stakeholders in service of the state? **YES / NO**

If so, furnish particulars.

4.10. Are any spouse, child or parent of the company’s directors, managers, principal shareholders or stakeholders in service of the state? **YES / NO**

If so, furnish particulars.

4.11. Do you or any of the directors, trustees, managers, principal shareholders, or stakeholders of this entity have any interest in any other related companies or business whether or not they are bidding for this contract . **YES / NO**

If so, furnish particulars.

4.12. Full details of all the directors / trustees / members / shareholders.

| Full Name of sole proprietor,<br>partner, director, Manager,<br>principal shareholder or<br>stakeholder or member | ID Number | Name of Organ<br>of state | Income Tax<br>Number<br>(Compulsory) | State Employee<br>Number |                        |
|-------------------------------------------------------------------------------------------------------------------|-----------|---------------------------|--------------------------------------|--------------------------|------------------------|
|                                                                                                                   |           |                           |                                      | Current                  | Within<br>12<br>months |
|                                                                                                                   |           |                           |                                      |                          |                        |
|                                                                                                                   |           |                           |                                      |                          |                        |
|                                                                                                                   |           |                           |                                      |                          |                        |
|                                                                                                                   |           |                           |                                      |                          |                        |
|                                                                                                                   |           |                           |                                      |                          |                        |
|                                                                                                                   |           |                           |                                      |                          |                        |
|                                                                                                                   |           |                           |                                      |                          |                        |
|                                                                                                                   |           |                           |                                      |                          |                        |

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Add list if this list is not sufficient.

The bidder hereby certifies that the information set out in this schedule and/or attached thereto is true and correct, and acknowledges that failure to properly and truthfully complete this schedule may result in the Quotation being disqualified, and/or (in the event that the bidder is successful) the cancellation of the contract.

PRINT FULL NAME: \_\_\_\_\_

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

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

## 5. PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2011 (MBD 6.1)

NOTICE NO.: KH20/23/24

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.**

## MBD 6.1

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

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

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

#### 1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

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:

|                                                   | POINTS |
|---------------------------------------------------|--------|
| PRICE                                             | 80     |
| B-BBEE STATUS LEVEL OF CONTRIBUTOR                | 20     |
| 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;

- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.

(h) **“Proof of B-BBEE status level of contributor”** means:

- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

(j) **“Rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

### 3. POINTS AWARDED FOR PRICE

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

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

or

or

$P_{min}$  = Price of lowest acceptable bid

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

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

| B-BBEE Status Level of Contributor | Number of points (90/10 system) | Number of points (80/20 system) |
|------------------------------------|---------------------------------|---------------------------------|
| 1                                  | 10                              | 20                              |
| 2                                  | 9                               | 18                              |
| 3                                  | 6                               | 14                              |

|                           |   |    |
|---------------------------|---|----|
| 4                         | 5 | 12 |
| 5                         | 4 | 8  |
| 6                         | 3 | 6  |
| 7                         | 2 | 4  |
| 8                         | 1 | 2  |
| Non-compliant contributor | 0 | 0  |

## 5. BID DECLARATION

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

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

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)

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

## 7. SUB-CONTRACTING

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

(Tick applicable box)

|     |                          |    |                          |
|-----|--------------------------|----|--------------------------|
| YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

|     |                          |    |                          |
|-----|--------------------------|----|--------------------------|
| YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

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

| Designated Group: An EME or QSE which is at last 51% owned by:    | EME<br>√ | QSE<br>√ |
|-------------------------------------------------------------------|----------|----------|
| 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                                                           |          |          |

## 8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 MUNICIPAL INFORMATION

**Municipality where business is situated:** .....

**Registered Account Number:** .....

**Stand Number:**.....

8.8 Total number of years the company/firm has been in business:.....

8.9 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 contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificates, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other

- side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....

**6. DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS (MBD 6.2)**

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 1286:2011 (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, 2011 (Regulation 9) makes 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. Where necessary, for bids 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 the South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as required 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 –

- (a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and
- (b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

## 2. Definitions

- 2.1. **“bid”** includes written price quotations, advertised competitive bids 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 (this includes labour and intellectual property costs), 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 (refer to Annex A of SATS 1286:2011) 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?  
(Tick applicable box)

|     |                          |    |                          |
|-----|--------------------------|----|--------------------------|
| YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

- 4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by the 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 [www.reservebank.co.za](http://www.reservebank.co.za).

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

| <b>Currency</b> | <b>Rates of exchange</b> |
|-----------------|--------------------------|
| US Dollar       |                          |
| Pound Sterling  |                          |
| Euro            |                          |
| Yen             |                          |
| Other           |                          |

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

5. Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct?  
(Tick applicable box)

|     |  |    |  |
|-----|--|----|--|
| YES |  | NO |  |
|-----|--|----|--|

5.1. If yes, provide the following particulars:

- (a) Full name of auditor: .....
- (b) Practice number: .....
- (c) Telephone and cell number: .....
- (d) Email address: .....

(Documentary proof regarding the declaration will, when required, be submitted to the satisfaction of the Accounting Officer / Accounting Authority)

6. 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 Accounting Officer / Accounting Authority 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 Municipality / Municipal Entity):  
.....

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.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.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
- (ii) the declaration templates have been audited and certified to be correct.

(c) The local content percentages (%) 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 / Municipality /Municipal Entity 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 / 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 Preferential Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

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

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

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

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

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

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

# Annex C

## Local Content Declaration - Summary Schedule

(C1) Tender No.  
 (C2) Tender description:  
 (C3) Designated product(s)  
 (C4) Tender Authority:  
 (C5) Tendering Entity name:  
 (C6) Tender Exchange Rate:  
 (C7) Specified local content %

Note: VAT to be excluded from all calculations

Pula  EU  GBP

### Calculation of local content

### Tender summary

| Tender item no's | List of items | Tender price - each (excl VAT) | Exempted imported value | Tender value net of exempted imported content | Imported value | Local value | Local content % (per item) | Tender Qty | Total tender value | Total exempted imported content | Total Imported content |
|------------------|---------------|--------------------------------|-------------------------|-----------------------------------------------|----------------|-------------|----------------------------|------------|--------------------|---------------------------------|------------------------|
| (C8)             | (C9)          | (C10)                          | (C11)                   | (C12)                                         | (C13)          | (C14)       | (C15)                      | (C16)      | (C17)              | (C18)                           | (C19)                  |
|                  |               |                                |                         |                                               |                |             |                            |            |                    |                                 |                        |
|                  |               |                                |                         |                                               |                |             |                            |            |                    |                                 |                        |
|                  |               |                                |                         |                                               |                |             |                            |            |                    |                                 |                        |
|                  |               |                                |                         |                                               |                |             |                            |            |                    |                                 |                        |
|                  |               |                                |                         |                                               |                |             |                            |            |                    |                                 |                        |
|                  |               |                                |                         |                                               |                |             |                            |            |                    |                                 |                        |
|                  |               |                                |                         |                                               |                |             |                            |            |                    |                                 |                        |
|                  |               |                                |                         |                                               |                |             |                            |            |                    |                                 |                        |

(C20) Total tender value R 0

(C21) Total Exempt imported content R 0

(C22) Total Tender value net of exempt imported content R 0

(C23) Total Imported content R 0

(C24) Total local content R 0

(C25) Average local content % of tender

Signature of tenderer from Annex B

Date:

## 7. DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (MBD 8)

**NOTICE NO.: KH20/23/24**

**STARTING DATE: 9 November 2023 Closing Date: 17 November 2023 Closing Time: 10:00**

- 7.1. This declaration is used by Khai-Ma Municipality 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.
- 7.2. The bid of any bidder may be rejected if that bidder, or any of its directors have:
- abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - been convicted for fraud or corruption during the past five years;
  - willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - been listed in the Register for Quotation Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 7.3. Where the entity Quotating is a partnership/consortium/joint venture, each party to the partnership/consortium/ joint venture must sign a declaration in terms of the Municipal Finance Management Act, Act 56 Of 2003, and attach it to this schedule.
- 7.4. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

| Item    | Question                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Yes                             | No                             |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------------------|
| 7.4.1   | Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector?<br><b>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).</b>                                                                                                                                           | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 7.4.1.1 | If so, furnish particulars:                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                 |                                |
| 7.4.2   | Is the bidder or any of its directors listed on the Register for Quotation Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?<br><b>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 Quotation Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).</b> | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 7.4.2.1 | If so, furnish particulars:                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                 |                                |
| 7.4.3   | Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?                                                                                                                                                                                                                                                                                                   | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 7.4.3.1 | If so, furnish particulars:                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                 |                                |

|         |                                                                                                                                                                                                                                        |                                 |                                |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------------------|
| 7.4.4   | Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months? | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 7.4.4.1 | If so, furnish particulars:                                                                                                                                                                                                            |                                 |                                |
| 7.4.5   | Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?                         | Yes<br><input type="checkbox"/> | No<br><input type="checkbox"/> |
| 7.4.7.1 | If so, furnish particulars:                                                                                                                                                                                                            |                                 |                                |

The bidder hereby certifies that the information set out in this schedule and/or attached thereto is true and correct, and acknowledges that failure to properly and truthfully complete this schedule may result in the Quotation being disqualified, and/or (in the event that the bidder is successful) the cancellation of the contract.

**PRINT FULL NAME:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

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

## 8. CERTIFICATE OF INDEPENDENT BID DETERMINATION (MBD 9)

**NOTICE NO.: KH20/23/24**

**STARTING DATE: 9 November 2023 Closing Date: 17 November 2023 Closing Time: 10:00**

I, \_\_\_\_\_, the undersigned, in submitting this bid, Quotation No.: KH17/23, in response to the invitation for the bid made by Khai-Ma Municipality do hereby make the following statements that I certify to be true and complete in every respect:

I 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, 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.
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.

**PRINT FULL NAME:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

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

## 9. DECLARATION ON THE STATE MUNICIPAL ACCOUNTS AT ALL THE MUNICIPALITIES OF THE BIDDER (SCM1)

**NOTICE NO.: KH20/23/24**

**STARTING DATE: 9 November 2023 Closing Date: 17 November 2023 Closing Time: 10:00**

**PLEASE ATTACHED MUNICIPAL ACCOUNTS OR LEASE AGREEMENTS AT BACK**

9.1. The completion of this form is **COMPULSORY**, and failure to complete this form might result that this Quotation will not be considered.

9.2. The bidder:

- a) hereby acknowledges that according to SCM Regulation 38(1)(d)(i) the Municipal Manager reject the Quotation of the bidder if any municipal rates and taxes or municipal service charges owed by the Bidder or any of its directors/members/partners to Khai-Ma Municipality, or to any other municipality or municipal entity, are in arrears for more than 3 (three) months; and
- b) hereby certifies that the information set out in this schedule and/or attached thereto is true and correct. The bidder acknowledges that failure to properly and truthfully complete this schedule may result in the Quotation being disqualified, and/or (in the event that the bidder is successful) the cancellation of the contract. The bidder must complete or provide us with an additional schedule of information in the following format;

| Physical Business addresses of the Bidder | Municipality | Municipal Account Numbers |
|-------------------------------------------|--------------|---------------------------|
|                                           |              |                           |
|                                           |              |                           |

**Attached certified copies of municipal accounts not older than 3 months.**

9.3. The bidder must complete or provide us with an additional schedule of information (Refer to schedule 13) of all its directors/ shareholders/ Managers/ Partners/Members etc.

| Name of Director/ Member | ID Number | Physical Address | Municipality | Municipal Account Number |
|--------------------------|-----------|------------------|--------------|--------------------------|
|                          |           |                  |              |                          |
|                          |           |                  |              |                          |

**Attached certified copies of municipal accounts all directors or members not older than 3 months.**

I/We declare that the abovementioned information is true and correct and that the above-mentioned documents refer to in 9.2 and 9.3 are attached to this form:

\_\_\_\_\_  
(Insert name of enterprise)

PRINT FULL NAME: \_\_\_\_\_

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

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

## 10. PRICING INSTRUCTIONS

NOTICE NO.: KH20/23/24

**STARTING DATE: 9 November 2023   Closing Date: 17 November 2023   Closing Time: 10:00**

### 1.1. General and rates

- 1.1.1. The price schedules has columns for unit rate, unconditional discount offered, discounted rate and estimated quantity.
- 1.1.2. All the prices shall be tendered excluding VAT but including customs or excise duty and any other duty, levy, or other applicable tax.
- 1.1.3. All prices shall be tendered in accordance with the units specified in this schedule.
- 1.1.4. Only complete discount column if you offer unconditional discounts on items.
- 1.1.5. All prices Tendered must include all expenses, disbursements and costs (transport, overheads etc) that may be incurred in the execution of this contract and shall cover all the general risks, liabilities and obligations set implicitly in the contract.
- 1.1.6. All prices shall be fixed for the once-off contract and will be final and binding.

### 1.2. Corrections made

- 1.2.1. Any entry made by the bidder in the price schedule, which the bidder desires to change, shall not be erased or printed out.
- 1.2.2. A line shall then be drawn through the incorrect entry and the correct entry shall be written above in black ink and the full signature of the bidder shall be placed next to the correction.

## 11. PRICING SCHEDULE

**NOTICE NO.: KH20/23/24**

**STARTING DATE: 9 November 2023 Closing Date: 17 November 2023 Closing Time: 10:00**

| ITEM NO: | DESCRIPTION OF ITEMS ACCORDING TO SPECIFICATIONS                                                                                     | QTY | UNCODITIONAL DISCOUNT | UNIT PRICE (Excl VAT) | TOTAL (Excl VAT) |
|----------|--------------------------------------------------------------------------------------------------------------------------------------|-----|-----------------------|-----------------------|------------------|
| 2.1      | <b>Appointment of Service Provider for the review and development of the Municipality's staff establishment and job descriptions</b> | 1   |                       |                       |                  |
|          |                                                                                                                                      |     |                       |                       |                  |
|          | <b>TOTAL AMOUNT (EXCLUDING TAXES)</b>                                                                                                |     |                       |                       |                  |
|          | <b>TAXES</b>                                                                                                                         |     |                       |                       |                  |
|          | <b>TOTAL AMOUNT (INCLUDING TAXES)</b>                                                                                                |     |                       |                       |                  |

**NOTE: Subsistence and Travelling must be included in the Total amount (VAT Incl)**

**Carry amount over to page 20: MBD 3.3)**

The undersigned, who warrants that he/ she is duly authorised to do so on behalf of the enterprise confirms that the contents of this schedule are within my personal knowledge and are to the best of my belief both true and correct and there was no collusion with other bidders.

**Person authorised to sign Quotation:**

FULL NAME: \_\_\_\_\_

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

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

## 12. SPECIFICATIONS / SCOPE OF WORK

NOTICE NO.: KH20/23/24

STARTING DATE: 9 November 023 Closing Date: 17 November 2023 Closing Time: 10:00

9

### APPOINTMENT OF A SERVICE PROVIDER FOR THE REVIEW AND DEVELOPMENT OF THE MUNICIPALITY'S STAFF ESTABLISHMENT AND JOB DESCRIPTIONS

Quotations are hereby invited from experienced and suitably qualified service providers for the review and development of Khai- Ma Municipality's staff establishment and job descriptions in respect of ±80 posts, as set out in the following specifications:

- (1) Review of the staff establishment of the municipality;
- (2) Review and update of all job descriptions in respect of major changed posts;
- (3) Develop job descriptions for all new posts on the organizational structure;
- (4) Align all job descriptions (±80 posts) to the Competency Framework (Annexure A of the Local Government: Municipal Staff Regulations No. 890 dated 20 September 2021) and in the prescribed format; and
- (5) The review/development of all job descriptions shall be conducted in accordance with the directives and guiding principles as envisaged by the Local Government: Municipal Staff Regulations No's 890 and 891 dated 20 September 2021 and TASK Job Evaluation System.

The service provider must have at least 8 years' practical experience in the field of job analyses, job description writing and job evaluation in local government and must have undertaken similar projects in at least three municipalities. ***(Please attached reference letters)***

The methodology that will be followed (scope of work) and how the deliverables will be rolled out, as well as time frames and related costs must be included in the tender/quotation.

# 1. GENERAL CONDITIONS OF CONTRACT (GCC)

NOTICE NO.: KH20/23/24

**STARTING DATE: 9 November 2023 Closing Date: 17 November 2023 Closing Time: 10:000**

## 1.1 Definitions

The following terms shall be interpreted as indicated:

- 1.1.1. "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
- 1.1.2. "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract from signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.1.3. "Contract price" means the price payable to the supplier under the contract for the full and proper performance of this contractual obligation.
- 1.1.4. "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.1.5. "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.1.6. "Country of origin" means the place where 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 basis characteristics or in purpose or utility from its components.
- 1.1.7. "Day" means calendar day.
- 1.1.8. "Delivery" means delivery in compliance of the conditions of the contract or order.
- 1.1.9. "Delivery ex stock" means immediate delivery directly from stock actually on hand.
- 1.1.10. "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.
- 1.1.11. "Dumping" occurs when a private enterprise abroad markets its good on own initiative in the RSA at lower prices than that of the country or origin and which have the potential to harm the local industries in the RSA.
- 1.1.12. "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 resolutions, fires floods, epidemics, quarantine restrictions and freight embargoes.
- 1.1.13. "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.

- 1.1.14. "GCC" mean the General Conditions of Contract.
- 1.1.15. "Good" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.1.16. "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 transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.1.17. "Local content" means that portion of the bidding price, which is not included in the imported content provided that local manufacture does take place.
- 1.1.18. "Manufacture" means the production of products in a factory using labour, materials components and machinery and includes other related value-adding activities.
- 1.1.19. "Order" means an official written order issued for the supply of goods or works or the procuring of a service.
- 1.1.20. "Project site" where applicable, means the place indicated in bidding documents.
- 1.1.21. "Purchaser" means the organization purchasing the goods.
- 1.1.22. "Republic" means the Republic of South Africa.
- 1.1.23. "SCC" means the Special Conditions of Contract.
- 1.1.24. "Services" means those functional services ancillaries 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.
- 1.1.25. "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

## **1.2 Application**

- 1.2.1. 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.
- 1.2.2. Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 1.2.3. Where such special conditions of contract are in conflict with these general conditions, the special shall apply.

## **1.3 General**

- 1.3.1. Unless otherwise indicated in the bidding documents, the purchase 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.

- 1.3.2. With certain exceptions, invitations for bid are only published in the Government Quotation Bulletin. The Government Quotation Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://www.treasury.gov.za).

#### **1.4 Standards**

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

#### **1.5 Use of contracts documents and information**

- 1.5.1. 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.
- 1.5.2. The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 1.5.1 except for purposes of performing the contract.
- 1.5.3. Any document, other than the contract itself mentioned in GCC clause 1.5.1 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.
- 1.5.4. 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.

#### **1.6 Patent rights**

- 1.6.1 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.

#### **1.7 Performance Security**

- 1.7.1. 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 GCC.
- 1.7.2. 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 contracts.
- 1.7.3. The performance security shall be denominated in the currency of the contract, or in freely convertible currency acceptable to the purchaser and shall be in one of the following:
- 1.7.4. a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or broad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
- 1.7.5. a cashier's or certified cheque
- 1.7.6. 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 in SCC.

#### **1.8 Inspections, tests and analyses**

- 1.8.1. All pre-bidding testing will be for the account of the bidder.
- 1.8.2. If it is a bid condition that supplies to be produced or services to be procured should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 1.8.3. 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 payments arrangements with the testing authority concerned.
- 1.8.4. If the inspection, test and analyses referred to in clauses 1.8.2 and 1.8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 1.8.5. Where the supplies or services referred to in clauses 1.8.2 and 1.8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 1.8.6. Supplies and services, which are, referred to in clauses 1.8.2 and 1.8.3 and which do not comply with the contract requirements may be rejected.
- 1.8.7. Any contract supplies 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 supplies 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 supplies which do comply with the requirements of the contract. Failing such removal, the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchase may without giving the supplier further opportunity to substitute the rejected supplies purchase such supplies as may be necessary at the expense of the supplier.
- 1.8.8. The provisions of clauses 1.8.4 to 1.8.7 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 1.23 of GCC.

## **1.9 Packing**

- 1.9.1. 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 precipitations 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.
- 1.9.2. 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, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

## **1.10 Delivery and documents**

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

## **1.11 Insurance**

- 1.11.1. 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 in the SCC.

## **1.12 Transportation**

- 1.12.1. Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

## **1.13 Incidental services**

- 1.13.1. The supplier may be required to provide any or all of the following services, including additional services, if any specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) 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
- (e) 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.

- 1.13.2. 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.

## **1.14 Spare parts**

- 1.14.1. As specified in SCC, 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:

- (a) 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
- (b) in the event of termination of production of the spare parts:
  - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - (ii) Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings and specifications of the spare parts, if requested.

## **1.15 Warranty**

- 1.15.1. 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.

- 1.15.2. This warranty shall remain valid 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.

- 1.15.3. The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

- 1.15.4. Upon receipt of such notice, the supplier shall, with the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to be purchaser.
- 1.15.5. If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, 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.

#### **1.16 Payment**

- 1.16.1. The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 1.16.2. 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.
- 1.16.3. Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 1.16.4. Payment will be made in Rand unless otherwise stipulated in SCC.
- 1.16.5. No advance payments will be granted.

#### **1.17 Prices**

- 1.17.1. 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 in SCC or in the purchaser's request for bid validity extension, as the case may be.

#### **1.18 Contract Amendments**

- 1.18.1. No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

#### **1.19 Assignment**

- 1.19.1. 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.

#### **1.20 Subcontracts**

- 1.20.1. 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.

#### **1.21 Delays in the supplier's performance**

- 1.21.1. 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.
- 1.21.2. 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.

- 1.21.3. No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or local authority.
- 1.21.4. 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.
- 1.21.5. Except as provided under GCC clause 1.25, a delay by the supplier in the performance of its delivery obligations shall procure the supplier liable to the imposition of penalties, pursuant to GCC clause 1.22, unless an extension of time is agreed upon pursuant to GCC clause 1.21.2 without the application of penalties.
- 1.21.6. 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.

## **1.22 Penalties**

- 1.22.1. Subject to GCC clause 1.25, 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 1.23.

## **1.23 Termination for default**

- 1.23.1. 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:
  - (a) 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 1.21.2;
  - (b) if the supplier fails to perform any other obligation(s) under the contract; or if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 1.23.2. 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 terminate.

## **1.24 Anti-dumping and countervailing duties and rights**

- 1.24.1. When, after the date of bid, provisional payments are required, or anti-dumping 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 of 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 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 procured, or is to deliver or procure in terms of the contract or any other contract or any other amount which may be due to him.

#### **1.25 Force Majeure**

- 1.25.1. Notwithstanding the provisions of GCC clauses 1.22 and 1.23, the supplier shall not be liable for forfeiture or 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.
- 1.25.2. 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 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.

#### **1.26 Termination for insolvency**

- 1.26.1. 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 prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

#### **1.27 Settlement of Disputes**

- 1.27.1. 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.
- 1.27.2. If, after thirty (30) days, the parties have failed to resolve their dispute or difference by 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.
- 1.27.3. Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 1.27.4. Mediation proceedings shall be conducted in accordance with the rules or procedure specified in the SCC.
- 1.27.5. Notwithstanding any reference to mediation and/or court proceedings herein,
  - (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
  - (b) the purchaser shall pay the supplier any monies due the supplier.

#### **1.28 Limitation of liability**

- 1.28.1. Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to clause 3.6;
  - (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss or 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

- (b) 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.

### **1.29 Governing language**

- 1.29.1. 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.

### **1.30 Applicable law**

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

### **1.31 Notices**

- 1.31.1. 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.
- 1.31.2. 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

### **1.32 Taxes and duties**

- 1.32.1. A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 1.32.2. A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 1.32.3. No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

**(1) TAX CLEARANCE STATUS PIN**

NOTICE NO.: KH20/23/24

STARTING DATE: 9 November 2023 Closing Date: 17 November2023 Closing Time: 10:00

**PLEASE ATTACH HERE**

## **(2) B-BEE CERTIFICATE**

NOTICE NO.: KH20/23/24

STARTING DATE: 9 November 2023 Closing Date: 17 November 2023 Closing Time: 10:00

**PLEASE ATTACH HERE**

## **(3) MUNICIPAL ACCOUNTS**

**PLEASE ATTACH HERE ALL MUNICIPAL ACCOUNTS  
OF COMPANY AND ITS DIRECTORS**

**PLEASE ATTACH HERE**

**(5) METHODOLOGY / APPROACH**

**PLEASE ATTACH HERE**