



**MOGALAKWENA LOCAL MUNICIPALITY**

**TENDER DOCUMENT FOR SUPPLY AND INSTALLATION OF CCTV CAMERA  
SYTSTEMS FOR MAIN BUILDING AND STORES BUILDING FOR A PERIOD  
OF (03) THREE YEARS**

**TENDER NO: 19-2022/2023**

**ADVERT DATE: 15 JUNE 2023**

**CLOSING DATE AND TIME: 17 JULY 2023**

**AT 12H00 P.M**

**NAME OF TENDERER:** \_\_\_\_\_

**CONTACT PERSON:** \_\_\_\_\_

**CELL NUMBER:** \_\_\_\_\_

**FAX NUMBER:** \_\_\_\_\_

**OFFICE NUMBER:** \_\_\_\_\_

**EMAIL ADRESS:** \_\_\_\_\_

**POSTAL ADRESS:** \_\_\_\_\_

**AMOUNT IN (R)** \_\_\_\_\_

**AMOUNT IN WORDS** \_\_\_\_\_

ADVERTISEMENT				
PROJECT NAME	TENDER NUMBER	ADVERT DATE	Compulsory briefing	CLOSING DATE
SUPPLY AND INSTALLATION OF CCTV CAMERA SYSTEMS FOR MAIN BUILDING AND STORES BUILDING	19-2022/2023	15-June-2023	None	17-July-2023

Mogalakwena Local Municipality is requesting quotations from suitable qualified service providers to supply and installation for security cameras for Mogalakwena Local municipality building. Tender document **CONTAINING THE CONDITIONS OF BIDS AND REQUIREMENTS CAN BE DOWNLOADED** on the Mogalakwena Website for free [www.mogalakwena.gov.za](http://www.mogalakwena.gov.za) and E-tender website [www.etenders.gov.za](http://www.etenders.gov.za).

Mogalakwena Municipality will evaluate, adjudicate and award the bids in accordance with the PPPFA of 2022

The respective project name with the project number must be clearly marked on the envelope before submission. Complete tender documents, fully priced, signed and sealed in an envelope must be deposited in the Tender Box at Mogalakwena Municipality, 54 Retief Street, Mokopane, by no later than **12H00p.m on the 17<sup>th</sup> July 2023.** when all tenders received will be opened in public in the Old Council Chamber, on the Ground Floor.

No late, faxed, telegraphic, emailed and telephonic tenders will be accepted. The council also reserves the right to negotiate further conditions and requirements with the successful tenderer.

**NB\*** Service providers should take note that no bid/service will be awarded to a service provider who is not registered and valid on Web Based Central Supplier Database (CSD).

Technical Enquiries must be addressed to Traffic and Emergency Service at 0154919813.

For administrative enquires should be directed to Supply Chain Management at 015 491 9649

The Municipality does not bind itself to accept the lowest or any tender and reserves the right to accept any tender or any part thereof, which may result in the acceptance of more than one tender, whichever the case may be.

**M.M MALULEKA  
MUNICIPAL MANAGER  
54 RETIEF STREET  
MOKOPANE  
0601**

**Notice No:78/2023**

## **SECURITY SYSTEM FOR MOGALAKWENA LOCAL MUNICIPALITY**

### **BACKGROUND**

The Buildings of Mogalakwena Local Municipality are currently secured through provision of physical security services. The municipality installed CCTV Cameras which are currently dysfunctional. To ensure that the safety of the municipal assets and employees are guaranteed, it is only proper that the CCTV System Cameras are installed at the municipal buildings. CCTV System cameras will capture high quality, undistorted clear imagery of overall activities occurring around the premises, corridors, parking entrances, building entrances etc.

### **SCOPE OF WORK**

#### **EQUIPMENT DESCRIPTION/PURPOSE**

The following are specifications for procurement of the appointment of service providers for supply and installation of CCTV System Cameras at Main Building and Stores:

#### **CCTV SYSTEM**

- i. CCTV System cameras will capture high quality, undistorted clear imagery of overall activities occurring around the premises, corridors, parking entrances, building entrances etc.
- ii. Uninterrupted Power Supply.  
An uninterruptible power supply that will provide emergency power to the system for up to 8 hours during power failures with a status display screen and self-starting feature.
- iii. Network Switches. A total of six by 16 Channel NVRs (Network Video Recorders) will be installed to take up cameras installed all around the premises. These will also be suitable for ease of maintenance. When one goes faulty, only a maximum of 16 cameras would be affected. About 11 PoE network switches will be installed in 9U cabinets. For mapping purposes, the premises will be divided into 11 sections with each section installed a PoE network switch. All cameras installed in the section will be connected to the switch for video feed and powering up purposes. The PoE switches would be 12-port. Each PoE switch would also have a UPS to power it up in cases of power outages. The network switches will have copper uplink ports.
- iv. Network Video Recorders will have at least the following software capabilities:
  - IP Camera Support or latest technology
  - Advanced Video Search

- Event and Action management
- Adjacent Camera Mapping
- Third-party system Integration
- Recording and Storage Solutions
- Enterprise Multi-site Management
- Access Rights Management
- Alarm Management
- Map Interface
- Video Analytics Upgradeable Architecture
- Failover
- Health Monitoring Diagnostics
- Options for facial recognition if feasible

## **INSTALLATION AND SETUP**

- i. The installation will be of approximately 15 indoor IP dome and 18 outdoor bullet cameras (***NB: assessment done at both buildings***) and a recording system that meet the specifications detailed below.
- ii. Installation of cabling and related infrastructure to meet industry standards and fitment approved by Mogalakwena Local Municipality.
- iii. Setup of all devices and commissioning of control room viewing console.
  - Setup of multiple profiles on the system for different roles, e.g. viewing only, viewing and playback, etc....
  - 1080p IP Camera or latest generation
  - PoE enabled
  - Backlight Compensation or infrared
  - 1920 × 1080 @30fps
  - Recording System record on motion detection or continuous recording
  - High-Definition video output.
  - Ability to store footage for 120 days or more. All camera recordings will record on the onsite network recorders.
  - The Integrated System shall use a Client Server architecture based around a modular PC network, utilizing the latest industry standard operating systems, networks and protocols.
- iv. CCTV monitoring system specification

The features of the CCTV monitoring system shall include but not be limited to:

- ✓ Scalable in terms of adding additional cameras.

✓ Central Video System that is flexible and scalable integrating with multiple surveillance systems, to provide central management, information sharing, convenient connection and multi-service cooperation. It must be capable of managing devices, live view, storage and playback, alarm linkage, video wall management.

✓ Flexible license activation methods: online activation and offline activation

✓ Start-up wizard guides you through basic operations including:

- Configuring the event parameters

✓ Managing the system users

✓ Multiple devices can be added: IP cameras, IP domes, DVRs, NVRs, Mobile Video Recorder, mobile terminal, alarm inputs /outputs

✓ NVR (Network Video Recorder) manageable if used in proposal: ▪ Add NVR by IP address

- Remotely configure the NVR via web browser
- Support Line Crossing Detection and Intrusion Detection
- Continuous recording and event triggered recording options

✓ Events & Alarm ▪ Detect camera events, transaction events, alarm input, device exception, server exception, Mobile Video. These events shall trigger alarms with video stills or clips in the integrated system for response and verification ▪ Intrusion, Line Crossing ▪ Camera events: Intrusion, ▪ Line Crossing, Motion, Video ▪ Tampering, Video Loss, etc.

v. Network Cabling

## **EVALUATION CRITERIA**

### **THERE WILL BE FOUR (04) STAGES OF EVALUATION**

Evaluation of technical proposals will be done according to the Guidelines in Supply Chain Management: A Guide for Accounting Officers of Municipalities and Municipal Entities (National Treasury) using the Quality-Based Selection method with criteria as listed in tables below

#### **STAGE 1**

##### **ADMINISTRATION COMPLIANCE**

All bids duly lodged will be examined to determine compliance with bidding requirements and conditions. Bids with obvious deviations from the requirement/conditions, will be eliminated from further evaluation.

##### Critical Criteria

The following criteria have been identified for this bid and any non-compliance thereto will lead to the bid being regarded as non-responsive and disqualified from further evaluation.

- Certified Copy of ID`s for both Directors
- Tax Clearance certificate /Tax pin
- Provide Central supplier Database (CSD)
- All pages of the Municipal Bid Document must be initiated and signed where required.
- Signed J/V agreement submitted (where applicable)
- Copy of municipal rates and taxes statement of account which is not older than three (3) months or lease agreement together with the municipal rate for the owner or letter from local authority.
- Register with any of CASA, SABS and SANAS
- Tenderers are required to submit the Company Profile with contactable references.

#### **STAGE 2**

##### **PREQUALIFICATION- SPECIFIC GOALS**

This is a pre-qualification tender to advance certain designated groups in terms of National Treasury's Preferential Procurement Regulation 2022

<b>Historically Disadvantaged Individuals - HDI</b>	<b>80/20 Preferential Point System</b>	<b>90/10 Preferential Point System</b>	<b>Means of Verification</b>
	<b>20</b>	<b>10</b>	

<b>Race—people who are Black, Colored or Indian</b>	<b>6</b>	<b>3</b>	<b>CSD report and Certified Copy of Identification Documentation</b>
<b>Local Economic Development</b>	<b>4</b>	<b>2</b>	<b>Company head office residence within the Jurisdiction as per CSD and proof of residence</b>
<b>Gender - Women</b>	<b>3</b>	<b>1</b>	<b>CSD report and Certified Copy of Identification Documentation</b>
<b>Youth</b>	<b>4</b>	<b>2</b>	<b>CSD report and Certified Copy of Identification Documentation</b>
<b>Disability</b>	<b>3</b>	<b>2</b>	<b>Certified copy of Doctor's Certificate with medical practice number</b>

### **STAGE 3**

### **EVALUATION ON FUNCTIONALITY**

#### **FUNCTIONALITY ASSESSMENT:**

<b>CRITERIA</b>	<b>WEIGHT</b>	<b>MAXIMUM POSSIBLE SCORES</b>
<b><u>ACCREDITATION /qualification</u></b>		<b>50</b>
Company must PSIRA registered.	<b>30</b>	
Installer to hold a CCTV installation and maintenance qualification or manufacture competence certificate.	<b>20</b>	
No certificate/ PSIRA registered	<b>0</b>	
<b>Relevant experience in the above field. E.g.: reference letter from institution</b>		<b>30</b>
2 -3 and above references.	<b>30</b>	
1 reference letter	<b>10</b>	
No reference	<b>0</b>	

<b>Source of funds</b>		<b>20</b>
Company must attach business bank statement show available balance or anything from the bank confirm the available funds	15	
Agreement from supplier	<b>05</b>	
<b>TOTAL</b>	<b>70</b>	<b>100</b>

**The bidder must obtain a minimum score of 70% of points allocated for quality (functionality) to qualify for further evaluation.**

#### **STAGE 4**

#### **PRICE AND PREFERENCE**

- a) The projects is below 50 million and the preferential points of 80/20 will be applicable as per PPPFA of 2000, PPR, 2022
- b) 80/20 preference point system for acquisition of goods or services for Rand value equal to or above R30 000 and up to R50 million

#### **CONDITIONS OF THE TENDER**

- Mogalakwena Local Municipality Supply Chain Policy Management will apply.
- The Council is not bound to accept the lowest or any tender and or part thereof and the Council reserves the right to accept any tender in whole or in part.
- All electronic, telegraphic, telefax, e-mail and late tenders will not be considered, and tenders not deposited in the tender box as prescribe in this notice will not be considered as well.
- Mogalakwena Local Municipality does not bind itself to accept the lowest proposal.
- **Vetting for experience of the Bidder will be done before Adjudication.**



INVITATION TO BID

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE MOGALAKWENA MUNICIPALITY**

BID NUMBER: ..... CLOSING DATE: .....  
CLOSING TIME: .....

DESCRIPTION.....  
...  
.....

**The successful bidder will be required to fill in and sign a written Contract Form ( MBD 7).**

BID DOCUMENTS MAY BE POSTED TO:

.....  
.....

*OR*

DEPOSITED IN THE BID BOX SITUATED AT (*STREET ADDRESS*)

.....  
...  
.....  
.....  
...  
.....

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration. The bid box is generally open 24 hours a day, 7 days a week.



HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE  
BEEN SUBMITTED? (MBD 6.1) YES/NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE  
CORPORATION

ACT (CCA)

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL  
ACCREDITATION SYSTEM (SANAS)

A REGISTERED AUDITOR

(Tick applicable box)

**(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE 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 YES/NO  
(IF YES ENCLOSE PROOF)

SIGNATURE OF BIDDER.....

DATE.....

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

TOTAL BID PRICE.....  
TOTAL NUMBER OF ITEMS OFFERED .....

**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE  
MAY BE DIRECTED TO:**

**Municipality / Municipal Entity:**

.....

**Department:**

.....

**Contact Person:**

.....

**Tel:**

.....

...

.....

**Fax:**

.....

**ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:**

**Contact Person:**

.....

**Tel:**

.....

...

.....

**Fax:**

.....

...

**MBD 2**

**TAX CLEARANCE CERTIFICATE REQUIREMENTS**

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue

Service (SARS) to meet the bidder's tax obligations.

**1** In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.

**2** SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.

**3** The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid.

**Certified copies of the Tax Clearance Certificate will not be acceptable.**

**4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.**

**5 Copies of the TCC 001 “Application for a Tax Clearance Certificate” form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).**

**6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).**

**MBD 4**

**DECLARATION OF INTEREST**

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative:

.....

3.2 Identity Number:

.....

3.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>)

.....

3.4 Company Registration Number:

.....

3.5 Tax Reference Number.....

3.6 VAT Registration Number:

.....

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

3.8 Are you presently in the service of the state?

**YES / NO**

3.8.1 If yes, furnish particulars.

.....

.....

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

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

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

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

3.9.1 If yes, furnish particulars

.....

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? .....

**YES / NO**

3.10.1 If yes, furnish particulars.

.....

.....

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

**YES / NO**

3.11.1 If yes, furnish particulars

.....  
 .....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.

.....  
 .....

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

**YES / NO**

3.13.1 If yes, furnish particulars.

.....  
 .....

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

3.14.1 If yes, furnish particulars:

.....  
 .....

4. [Full details of directors / trustees / members / shareholders.](#)

Full Name	Identity Number	State Employee Number




.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

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

**DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED)**

For all procurement expected to exceed R10 million (all applicable taxes included), bidders must complete the following questionnaire

1 Are you by law required to prepare annual financial statements for auditing?

1.1 If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

.....  
.....

2 Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days?

**\*YES / NO**

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.

2.2 If yes, provide particulars.

.....  
.....  
.....

\* Delete if not applicable

**\*YES / NO**

3 Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract?

**\*YES / NO**

3.1 If yes, furnish particulars

.....

.....

4. Will any portion of goods or services be sourced from outside \*YES / NO  
the Republic, and, if so, what portion and whether any portion of payment  
from the municipality / municipal entity is expected to be transferred out of  
the Republic?

4.1 If yes, furnish particulars  
.....  
.....

**CERTIFICATION**

**I, THE UNDERSIGNED (NAME)**

.....

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

.....

.....

Signature

Date

.....

.....

Position

Name of Bidder

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022**

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to invitations to tender:

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

1.2 **To be completed by the organ of state**

*(delete whichever is not applicable for this tender).*

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

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

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
<b>PRICE</b>	
<b>SPECIFIC GOALS</b>	

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

## 2. DEFINITIONS

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

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

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

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

80/20

or

90/10

$$P_s = 80 \left( 1 - \frac{P_t - P}{P} \right)$$

or

$$P_s = 90 \left( 1 - \frac{P_t - P}{P} \right)$$

Where

$P_s$  = Points scored for price of tender under consideration

Pt = Price of tender under consideration  
Pmin = Price of lowest acceptable tender

### 3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

#### 3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

P<sub>s</sub> = Points scored for price of tender under consideration  
P<sub>t</sub> = Price of tender under consideration  
P<sub>max</sub> = Price of highest acceptable tender

### 4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the

points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

Historically Disadvantaged Individuals - HDI	80/20 Preferential Point System	90/10 Preferential Point System	Means of Verification
	20	10	
Race – people who are Black, Coloured or Indian	6	3	CSD report and Certified Copy of Identification Documentation
Local Economic Development	4	2	Company head office residence within the Jurisdiction as per CSD and proof of residence
Gender - Women	3	1	CSD report and Certified Copy of Identification Documentation
Youth	4	2	CSD report and Certified Copy of Identification Documentation
Disability	3	2	Certified copy of Doctor's Certificate with medical practice number

*(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.*

*Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)*

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)

**DECLARATION WITH REGARD TO COMPANY/FIRM**

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

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;



- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

.....  
**SIGNATURE(S) OF TENDERER(S)**

**SURNAME AND**  
**NAME:**.....  
**DATE:**.....  
**ADDRESS:** .....

.....  
 .....  
 .....

## MBD 6.2

### DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

#### 1. General Conditions

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

$$LC = [1 - \frac{x}{y}] * 100$$

Where  $x$  is the imported content in Rand

$y$  is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of  $x$  must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) on the date of advertisement of the bid as indicated in paragraph 3.1 below.

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

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

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

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

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

*(Tick applicable box)*

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

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

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

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly

in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

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

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

**IN RESPECT OF BID NO.** .....

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

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on [http://www.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
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 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		

(  
f 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 3 above and the information contained in Declaration D and E.

- d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2000 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 1 of 2000).

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

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

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

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

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

**CONTRACT FORM - PURCHASE OF GOODS/WORKS**

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

**PART 1 (TO BE FILLED IN BY THE BIDDER)**

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution) ..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Technical Specification(s);
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.

- 5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
- 6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

.....

CAPACITY

.....

SIGNATURE

.....

NAME OF FIRM

.....

DATE

.....

WITNESSES	
1	.....
2.	.....

**CONTRACT FORM - PURCHASE OF GOODS/WORKS**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity as..... accept your bid under reference number .....dated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

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

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

SIGNED AT .....ON.....

NAME (PRINT) .....



SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1. ....

2. ....

DATE .....

**CONTRACT FORM - RENDERING OF SERVICES**

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

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

7. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
  
8. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (iv) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Filled in task directive/proposal;
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of Bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (v) General Conditions of Contract; and
  - (vi) Other (specify)
  
9. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
  
10. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.

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

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

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

WITNESSES	
1	..... .....
2	..... ..

**CONTRACT FORM - RENDERING OF SERVICES**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

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

DESCRIPTION OF SERVICE	PRICE (ALL APPLICAB LE TAXES INCLUDED )	COMPLETI ON DATE	B-BBEE STATUS LEVEL OF CONTRIBU TION	MINIMUM THRESHO LD FOR LOCAL PRODUCTI ON AND CONTENT (if applicable)
------------------------	--------------------------------------------------------	---------------------	--------------------------------------------------	----------------------------------------------------------------------------------------------

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

SIGNED AT ..... ON .....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1 .....

2 .....

**CONTRACT FORM - SALE OF GOODS/WORKS**

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

**PART 1 (TO BE FILLED IN BY THE BIDDER)**

13. I hereby undertake to purchase all or any of the goods and/or works described in the attached bidding documents from (name of institution)..... in accordance with the requirements stipulated in (bid number)..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the seller during the validity period indicated and calculated from the closing time of bid.
14. The following documents shall be deemed to form and be read and construed as part of this agreement:
- (vii) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Declaration of interest;
    - Declaration of Bidder's past SCM practices;
    - Special Conditions of Contract;
  - (viii) General Conditions of Contract; and
  - (ix) Other (specify)
15. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) cover all my obligations and I accept that any mistakes regarding price(s) and calculations will be at my own risk.
16. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
17. I undertake to make payment for the goods/works as specified in the bidding documents.
18. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
19. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM

DATE .....

WITNESSES	
1	.....
2	.....
3	.....

**CONTRACT FORM - SALE OF GOODS/WORKS**

**PART 2 (TO BE FILLED IN BY THE SELLER)**

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

ITEM NO.	DESCRIPTION	PRICE (ALL APPLICABLE TAXES INCLUDED)		
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4. I confirm that I am duly authorized to sign this contract.

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

DATE .....

WITNESSES

3. ....

4. ....

**DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality’s / municipal entity’s supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury’s website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	<p>If so, furnish particulars:</p>		



4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
<b>Item Question</b>		<b>Yes</b>	<b>No</b>
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

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

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

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

**MBD 9**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

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

4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

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

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

**MBD 9**

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_ (Bid  
Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_  
(Name of Municipality / Municipal Entity)

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

I certify, on behalf

of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;

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

#### **MBD 9**

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.

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

**MBD 9**

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

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

