

PHOKWANE LOCAL MUNICIPALITY



BID: PVS/E03/2022

DESCRIPTION: ELECTRICITY PREPAID VENDING SYSTEM

Closing Date: 23 JUNE 2022 AT 12:00pm

Company	
Contact Person	
Telephone Number	
Facsimile	
Tender amount (VAT inclusive)	
Delivery Date	

CONTENTS		PAGE
SECTION 1 – TENDERING PROCEDURES		
1.1	TENDER NOTICE AND INVITATION TO TENDER	3
1.2	TENDER CONDITIONS AND INFORMATION	4
1.3	GENERAL CONDITIONS OF CONTRACT	9
1.4	GUIDANCE DOCUMENT FOR THE CALCULATION OF LOCAL CONTENT	18
SECTION 2 – RETURNABLE MBD DOCUMENTS AND SCHEDULES		
2.1	RETURNABLE MBD DOCUMENTS	
2.1.1	MBD1: BID FOR REQUIREMENTS OF KAREEBERG MUNICIPALITY	29
2.1.2	MBD2: TAX CLEARANCE CERTIFICATE REQUIREMENTS	31
2.1.3	MBD3.1: PRICING SCHEDULE – FIRM PRICES	32
2.1.4	MBD4: DECLARATION OF INTEREST	33
2.1.5	MBD6.1: PREFERENCE POINT CLAIM FORM	36
2.1.6	MBD6.2: DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS	40
2.1.7	MBD7.1 CONTRACT FORM - PURCHASE OF GOODS/WORKS	43
2.1.8	MBD8: DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES	45
2.1.9	MBD9: CERTIFICATE OF INDEPENDENT BID DETERMINATION	47
2.2	RETURNABLE SCHEDULES	
2.2.1	PROOF OF CSD REGISTRATION	50
2.2.2	TAX CLEARANCE CERTIFICATE OR TAX COMPLIANCE STATUS PIN	51
2.2.3	PROOF OF CURRENT MUNICIPAL RATES, TAXES AND CHARGES	52
2.2.4	CERTIFIED COPIES OF IDENTITY DOCUMENTS OF MEMBERS/ SHAREHOLDERS / DIRECTORS OF THE COMPANY (ORIGINAL STAMP NOT OLDER THAN 3 MONTHS)	53
2.2.5	VALID CIPC DOCUMENTS / COPIES OF COMPANY REGISTRATION DOCUMENTS	54
2.2.6	BBBEE CERTIFICATE – ONLY THE FOLLOWING ORIGINAL BBBEE CERTIFICATES AND / OR CERTIFIED COPY OF BBBEE CERTIFICATES WILL BE ACCEPTED AND MUST BE ATTACHED. IRBA, SANAS OR SWORN AFFIDAVIT. (NO POINTS WILL BE CLAIMED WITHOUT BBBEE CERTIFICATE).	55
2.2.7	PROOF OF VEHICLE AND CHERRYPICKER SPECIFICATION (CATALOGUE)	56
SECTION 3 – DESCRIPTION OF GOODS		
3.1	SPECIFICATION	57



PHOKWANE LOCAL MUNICIPALITY INVITATION TO BID

BID: PVS/E03/2022
DESCRIPTION: Electricity Prepaid vending system

Phokwane Local Municipality hereby invites prospective service providers to submit tenders for

PVS/E03/2022 Description: Electricity Prepaid Vending System.

This BID will be evaluated in terms of the 80/20 preference point system as prescribed in the Preferential Procurement Regulations, 2017 pertaining to the PPPF Act (No 5 of 2000) and the Supply Chain Management Policy of Phokwane Local Municipality. Phokwane Local Municipality is not bound to accept the lowest bid or award a contract to the bidder scoring the highest points.

The tender documents are downloadable from the municipal website (www.phokwane.gov.za) and ETender portal. The closing date for submissions is **23 June 2022 at 12h00**. Bids will be opened in public immediately after the stated closing time.

Tenders documents together with copy in a memory stick and a proof of payment of participation fee of R3000.00, clearly marked: **PVS/E03/2022 – Electricity Prepaid vending system**, and must be deposited in the Tender Box of the Phokwane Local Municipality at the Reception area, Ground floor, Hartswater Municipal building, 24 Hertzog Street, Hartswater. **Enquiries** on technicalities may be directed to Mrs. TP Mmusi at tel. (053) 474 9700 and for supply chain matters to Mrs. M. Viljoen at tel. (053) 474 9700 during office hours.

The Municipality reserves the right to partial acceptance of one or more bids, to withdraw any invitation to tender and/or to re-advertise or to reject any tender. If no response is received in Ninety (90) days after the closing date, consider your BID unsuccessful.

NB: that faxed, e-mailed or late quotations will not be accepted.

Ms. B Mgaguli
Acting Municipal Manager
Phokwane Local Municipality

SCOPE OF SERVICE AND DETAILED SPECIFICATIONS AND REQUIREMENTS FOR THE MULTI-UTILITY ONLINE PRE-PAID ELECTRICITY VENDING MANAGEMENT SYSTEM AND THIRD-PARTY VENDING

1.1. INTRODUCTION

The Phokwane Local Municipality herewith invites proposals for a multi-utility pre-paid vending system / solution that will be fully integrated with PLM’s existing financial system and applications and function on the existing electronic infrastructure. The period of appointment will be for a period of 03 years. Bids from suitable service providers will be evaluated according to the set criteria as set out in this document.

1.2. DESCRIPTION OF THE SERVICES REQUIRED

The scope of the contract as detailed in this specification is as follows:

- The supply, delivery, installation, training and commissioning of the most optimal vending solution for STS meters, including a cloud based back- end, billing system integration and distributed 3rd party 24- hour vending, offered by the bidder within the framework and performance specification as detailed in this document.
- Stand-by and support required as detailed in this document.
- Disaster recovery and business continuity as specified.
- Supply and delivery of additional electricity dispensing units as and when needed based on the below municipal specification in this tender document.

1.3. REQUIREMENTS

1.3.1. Use of Reasonable Skill and Care In applying the scope of work it is expected of the service provider(s) to render services that commensurate with the highest expectations of professionals in the industry and to ensure that all legislative requirements are met. It is expected of the service provider to take ownership of the project and to facilitate a process that commensurate with the integrity of the municipality as a public institution to ensure successful completion of project within budget estimates and time frames. It will also be required of the service provider to report back at project management team meetings and to contribute to reports on the process progress and outcomes to the relevant officials and/or committees if need be. It will be required of the service provider to prepare a detailed phased project program for the project within 1 week of appointment. This must include system testing and user acceptance. The Service Providers are required to acknowledge the dynamics of proper planning for the practical completion of the project. The completion of the project program and project setup must be within One (01) month after allocation of the tender.

1.3.2. Normative References;

The solution offered must be compliant with SABS, the STS Specifications and SABS IEC relevant accreditations. The following standards contain provisions which through reference in the SABS constitute provisions of this specification.

SABS 1524-1:1994 or equivalent	Single-phase and Three phase electricity dispensing systems, Part 1: Electricity Dispensers.
SABS IEC 1036:1990 or equivalent	Alternating-current static Watt-hour meters
NRS 009-4-2:1994 or equivalent	National electricity meter cards and associated numbering standards section two national electricity meter number

(Replacing MCI57). MC 115 or equivalent	National electricity meter card specification for ED's (will be replaced by a NRS spec in future)
IEC 62055-41/51/52 or equivalent	Standard transfer specification edition 2
STS600-8-6 NRS 009-1:1994 or equivalent	Electricity Sales Systems Part 1: Glossary system overview. Preferred requirements for applications in the electricity supply industry

Please note that the equivalent standards must comply with the above description and must fully comply with the below detailed specification.

1.4. DETAILED SPECIFICATION OF VENDING SYSTEM

1.4.1. System Configuration in making an assessment of the hardware, software, network infrastructure availability and requirements at each of the current vending offices, the bidder shall keep in mind the system configuration required by the PLM and utilize the current infrastructure belonging to the PLM. It remains the responsibility of the bidder to ensure compliance to the bidder's minimum requirements.

The vending system must be TCP/IP compliant and functional over Ethernet on a LAN/WAN environment. WIFI, GPRS, ADSL and Diginet lines must also be accommodated.

The vending solution offered by the bidder must be capable of managing and vending to Electricity STS meters from a common platform and user interface. A single consumer record must have the capacity to have Electricity meters linked to it.

A hosted database configuration set is required with standby disaster recovery capability for business continuity.

A disaster recovery plan shall be provided with all necessary hardware and infrastructure utilised.

Assurance of business continuity in the event of a catastrophic systems and / or communications system breakdown in the Municipal environment must be provided.

A description of associated redundancies built in to the offered solution must also be provided. The system should have the capacity provide for a monthly update of a local database copy in the premises if and when required.

1.4.2. Technical Specification

The online and real-time prepayment electricity vending system to operate in a highly redundant and secure, centralised server environment.

1.4.2.1. Software and Hardware Requirements

1.4.2.1.1. Compliance and Certifications.

- Fully Compliant with IEC62055-41 (STS) Edition 2 specifications and all relevant STS guidelines, with relevant certificate to be supplied as proof.
- The Supplier needs to comply with National Rationalised Specification - NRSO47 and NRS009 specifications

1.4.2.1.2. Physical Location of Servers and Workstations

The configuration envisaged by the municipality is one where the management and vending server(s) will be located off-site in a high availability environment with redundant power and connectivity. Full disaster recovery and business continuity will be provided for.

- Vending workstations (credit dispensing units) will be required at each of the vending offices. The system must not be limited to existing workstations and locations. Offices may operate without internet connections and may use GPRS based handheld vending units. This must be accounted for in the offer.

- The vending system should be able to use/support the Windows 10, or earlier software/operating systems

1.4.2.1.3. System Capacity

The system shall be designed to ultimately accommodate a minimum of 10 000 consumers/meters. The system shall have the capacity to retain a five (5) year transaction history (estimated 10 million transactions) in the live database and older transactions in an archive database. Any system limitations shall be indicated by the bidder.

1.4.3. Performance Specification

A full and detailed functionality description of the system shall be provided by the bidder. The bidder shall provide computer hardware to the PLM in relation to the proposed municipal vending stations that are at the main municipal main building and any other additional hardware to ensure the successful operation of the system. For this reason, it is also imperative that bidders should be quite clear on where the PLM's hardware and/or networks lack the capability and/or capacity to function properly with the system proposed by the bidder and the bidder should indicate the cost of additional or replacement infrastructure.

A detailed graphical drawing depicting the proposed network and system layout must be drafted to clarify and indicate solution functionality. Should changes be required, full specifications and pricing must be provided.

The system proposed by the bidder should at least make sure that: Different servers are utilized for different applications such as:

- a) Database functions
- b) Management applications
- c) Transactions
- d) Encryption / Security
- e) Disaster recovery

The vending solution should be designed to use a relational database and run as a client server application on a LAN or a WAN. It should be able to run under the Windows Server 2003/2008 and at least Windows XP operating systems. The network for the vending solution is Ethernet. The network protocols shall be TCP/IP and be able to operate real-time over GPRS/3G/EDGE/HSDPA/GPRS/WIFI/ADSL/Diginet as available in certain areas in the online mode.

In order to simplify the third party integration process, the system will comply with Eskom XML end 2.1 (or later). It would be preferred that the system is native XML i.e. that there is no translation interface between the system and an XML client and that all client/server interfaces are based on the XML standard.

The system shall be a single database solution which from which both management functions and vending take place for all meter and utility types. All updates to customer data must be immediately available at vending terminals and all transactions made at all sales outlets must be immediately available for reporting on.

The vending terminal solution shall be web based or a web application which automatically updates from the host server should updates be posted.

Security and data encryption will be provided by mutually authenticated SSL between the vending terminal and the server.

The solution should have the capability to provide pre-paid vending services over the internet/intranet. Customers should be able (should the PLM wish to activate these options) to purchase prepaid services either via the Internet or a cell phone as follows:

A registered service on the web where the customer registers for the service. This includes providing the required financial information and then simply authenticating on every transaction. The PLM vending and credit management rules must still be applicable and transactions must be made against the PLM Municipality local vending system not an offline copy.

The system should cater for integration to vending mechanisms such as automatic cash handling machines, self-service terminals and other third- party vending networks by providing an API specification to the alternate provider. The bidder shall assist with integration testing.

The solution shall be able to function on low-bandwidth requirement between remote vending points (credit dispensing units) and the central prepaid system (system master station) and optimized to run over networks (such as GPRS), with the maximum packet size being minimal and clearly indicated. GPRS/WIFI/ADSL/DIGINET connection points should be created on the PLM infrastructure to directly serve transactions on this type of networks.

The vending system shall cater for integration with the systems / applications in use. The PLM uses SAGE as the financial system. The nature of the integration catered for must include periodic bulk export / import of arrears balances / collections to / from the billing system and be mSCOA compliant. The system must cater for storage of all information to comply with financial services regulations (e.g. the storage of all sales/vending transactions).

The vending system will provide a web-based interface to allow for management functionality and reporting over the PLM Intranet and internet. Connections will be secured by mutually authenticated SSL between the management terminals and the web server. The standard Microsoft Internet Explorer will be used for this. The system must ensure that the program supports the latest version of Microsoft Internet Explorer and always keep up with updates by Microsoft.

Tamper monitoring and specific technologies to effect notifications in this regard should be catered for in the solution.

1.4.4. System / Operation Requirements

1.4.4.1. General

The administrator(s) must have the option to link directly into the server from their offices for e.g. management, reports, etc. Maintenance staff must have the option to link into the system over a 3G data connection from remote locations to perform customer maintenance functions.

All licenses required must be clearly defined and a list provided with license cost. All limitations must clearly be indicated.

All current data on the current vending systems used by the municipality must be catered for on the supposed vending system. The last 3 years data must be migrated into the supposed vending system from the current vending system.

The system must integrate with the municipality's financial and other systems such as, Debt Management System. The system must support STS Edition 2 and provide a mechanism for a phased rollout of key-change tokens to support the base date change over for management of the TID rollover process.

The system must cater for multiple base date functionality in the security module.

The system must support an import mechanism for loading of the new key-load file specification as contained in STS600-4-2.

1.4.4.2. Access

It must be possible to allocate access rights into the system into users and user groups. Access rights allocations shall be transferred during the data migration process and distributed throughout the system. The vending system must allow for activation of password ageing functionality. If this function is activated, the password of the particular user shall expire after a definable amount of time. Early password expiry warnings must be available. In addition, a concurrent log-in limit for log- in attempts is also required. User IDs not used or disabled permanently must not be able to be removed from transaction history data. A full audit trail on user IDs and movement must be kept. Access rights must be configured by the WMM Municipality.

1.4.4.3. Arrears

The vending system offered by bidder shall make it possible for the municipality to deduct arrears from moneys tendered by consumers to purchase pre-paid electricity. The vending system must be able to define within the applicable arrears scheme and/or credit control policy of the municipality different arrears recovery categories/indexes. Within each category/index, the system shall allow for various

recovery alternatives. This must be included and enforced in all electricity dispensing strategies and/or systems, inclusive of third party vending systems. The system shall allow for at least:

- Fixed percentage of transaction recovery
- Basic charge recovery on a monthly or daily basis
- Full arrear payment recovery
- Partial or percentage-based arrear recovery and limited sales

1.4.4.4. Blocking

The vending system offered by the bidder will allow for profiled blocking of purchases by customers based on arrears balances in specific account types. Blocking will be configurable by account type and will allow for either no sales or limited monthly sales to customers with arrears balances. Customers with shared service accounts will all be unblocked simultaneously when any one blocked account is paid in full.

1.4.4.5. mSCOA Compliance

The service provider must indicate their approach to the requirements of mSCOA with respect to data exchange between systems. The service provider must provide proof of at least one on-line integration with a billing system where arrears balances are updated and transactions are posted to the billing system real-time.

1.4.4.6. Engineering

The system must make provision for the generation of all STS engineering vouchers directly from the management terminal and these vouchers can be printed, viewed (without printing) or sent via SMS.

An integrated Android smart phone-based Audit and Engineering application must be provided. The application must allow for the on-line audit of meters, issuing of engineering tokens, online TID updates and for field meter replacements with an audit trail including GPS coordinates.

The system must also provide option for power limit change tokens to avoid of changing the hardware when performing consumer capacity upgrade.

1.4.4.7. Free Issues / Replacement Tokens

The vending system should allow the issuing of vouchers free of charge with the requirement to add reasons and free text notes to each issue.

1.4.4.8. Key Management

The vending system must support the upload of key management files (KMF) into the system database to configure and connect encryption devices, for STS encryption algorithms. This can be used to load details of new area keys into the encryption device. STS certification is required for Key Management and Engineering tokens and must include STS Electricity certification. Certification must be STS edition 2, and security modules in use must be the Prism STS-6 type module.

1.4.4.9. Up-Front Vending

The vending system should allow a limit for the amount of credit that any individual terminal or group of terminals in the system can issue without re-authorization. This amount can be defined per terminal.

The credit update of a terminal must be done by a supervisor (or another user with appropriate access rights) updating the credit limit via the management interface. All updates will be recorded; the records will include the previous credit balance and the user identity, the date and time of the update and a reference field with free text entry.

The update will automatically print for audit purposes.

Electricity token limits will be set at terminal group level. These limits may be exceeded by operators with the input of a password to confirm the transaction value.

1.4.4.10. Messages

The vending system should allow the utility to define voucher messages that are printed at the bottom of the printed voucher. The municipality must have the option to change the messages according to requirements. The system shall allow:

- I. Entry of system messages;
- II. Entry of customer specific messages;

- III. Entry of predefined messages;
- IV. Ability to send short message service (SMS) or email

1.4.4.11. Transaction management

The system shall support the following types of transaction:

- Cash vend transaction;
- Retained credit transaction;
- Refund money transaction;
- Purchase blocking facility;
- Free basic electricity transaction;
- Arrear collection and debtor account payments;
- Engineering transactions
- Account Payment transaction

1.4.4.12. Registration

The vending system must be able to track any historical connections between the meter, point of connection and the consumer.

1.4.4.13. Vending

Vending to a consumer shall only be possible when a point of connection and meter are linked to the consumer and a tariff has been selected. The customer must still be able to make payments although blocked for pre-paid sales. Should the information on the database differs from the information on the meter card, no token must be generated. The system must perform vending through:

- Point of sale terminals;
- Internet;
- Cellular phone and
- ATM machines

The steps of vending shall be:

- On receipt of the vend request the system shall have a provision to ascertain the identity of the consumer;
- The keys to identify the consumer shall be the meter serial number;
- The vend terminal shall send the request to a central database server that shall authenticate the transaction request and generate an encrypted code;
- In order to provide maximum security to the system, the encryption shall not be done on the vending terminal but only on the central database server;
- On receipt of each request the vend terminal shall connect to the central database server in order for the encrypted vending code to be generated;
- The generated vending code shall be printed by the officially supplied hardware, and/or digitally displayed as in the case of internet or cellular phone vending;
- Token layout will comply with the Municipality's specification;
- Tokens will be legible for at least one month from date of purchase;
- The monetary value per token can be limited per the municipality's requirements e.g. minimum and maximum value, per consumer etc.;
- The Municipality must have the option to limit the customer total monthly purchases per customer.
- All payment types are recorded as returned by the vending terminal or third party aggregator;
- The amount tendered must first be allocated to clear the debtor's arrear balance if applicable, and then to allow for immediate purchasing of prepayment electricity;
- The consumer can pay the municipal debtor account at any terminal which will be transferred to the municipality's financial system, in a format as prescribed by the municipality;
- The system functionality must include reprints of tokens when required;

- The system is capable of performing vending functions simultaneously across all terminals and multiple types of vend can be combined one receipt at each terminal e.g. account payment, EBSST and electricity token;
- Cancellations are not allowed at the terminals;
- Inclining block tariffs are supported per NERSA requirements;
- The municipality's image will be positively reflected by the service provider's staff, collectors and aggregators per a code of conduct.
- The system must support the TID rollover process and must be STS Edition 2 Compliant.
- Tokens must be played remotely to meters on purchase should consumers wish to enable this feature.

The service provider must provide the minimum number of vending terminals as required with the following functionality, but not limited to:

- Integrated Modem;
- Integrated Printer;
- Integrated LAN Port;
- Integrated Display Screen

1.4.4.14. Search and Filter

The vending system should support full search for the following items in registration:

Consumer surname, first names, ID number, postal address details, comments, blocking codes, account number, point of connection, meter serial number, Erven number (ERF) or site number.

All of these searches can be incremental searches or full word searches. Once the search criteria are entered, the system must display the first record matching the search condition or the closest field at any one time for the search.

1.4.4.15. Reports

The vending system should support a set of standard reports and the capability to customize and / or create new Reports. The bidder undertakes to add or alter reports according to the needs of the Municipality for at least the first six months free of charge.

Reports in the vending system must be able to be previewed before printing. Printer selection and formatting according to operating system availability must be supported. Exporting of all reports to at least Excel or PDF must be supported.

The standard reports required should include:

- Standard operator reports
- Operator actions between dates grouped by date
- List of all users registered on the system
- List of all the user's groups and their functions
- List of all the groups and their respective functions
- Standard consumer reports
- Number of consumers registered by town between dates
- List of POC'S grouped by system area code
- List of all STS meters registered on the system
- List of towns registered on the system
- List of disconnected meters by POC between dates
- List of disconnected meters by disconnect reason between dates
- Consumer information for POC'S
- Total new connections in the municipality
- Total installed meters in the municipality
- Required meter replacements

- Standard transaction reports
- List of transactions grouped by date between dates
- Sum of transactions grouped by transaction type and tariff
- List of credit and debit card transactions between dates
- Total electricity bought between dates by consumer
- Free issues between dates per meter
- Check List between dates
- Low purchases of electricity over a specified period
- Reversals between dates
- Summary of all end of shifts for a user between dates
- All transactions for a meter between custom dates
- Arrears owed by consumer
- Daily cash reconciliation report
- Low consumption report
- Indigent high purchase report
- Total sales by town
- Total sales by operator
- All transactions for one shift on one user
- Shift details for one user • IBT customer purchase breakdown with graph
- IBT month sales analysis by Tariff Class
- Engineering Reports
- Current power limit for a meter
- Current power limit for all meters
- Audit trail on Amperage changes
- Power limit change tokens
- Statistical Reports
- Monthly Management reports
- Year-end roll-over reports
- Ad-hoc reports as required by Auditor General

1.4.4.16. Tariffs

The vending system must support the use of vending based tariffs. The system must cater for pre-defined tariffs by date to be created in advance. Tariff structure of current vending systems must be accommodated. Meter Tariff Index and Customer Tariff Class must not be linked in the system in order to avoid key changes when tariffs are changed, for instance from an Indigent to Domestic tariff.

Tariff structure definition is to be in line with NERSA requirements;

Tariff change administration in line with Auditor General Requirements;

Inclining Block Tariff (IBT) to be supported;

1.4.4.17. Vat

The vending system shall support the use of vending based VAT where the VAT is calculated at the time of vending.

1.4.4.18. Security

The vending system interconnections shall be secured with mutually authenticated SSL certificates. The bidder must describe the process of issue and management of these certificates. Passwords must meet the Auditor General's requirements in terms of complexity and expiry. An optional One Time Pin for system administrators must be provided for. Security management shall include:

- Group rights definition;
- Entry of system users and allocation of group rights;
- System administrator rights
- Customer portal to view transaction history and messages

1.4.4.19. Account payments

In vending, it should be possible to pay off arrears amounts or portions thereof separately from the purchase of actual electricity.

The solution shall also allow for debtor payments and sundry payments if and when required by the PLM. This functionality will allow and provide PLM Municipality the capability of collecting account payments, arrear amounts as well as sell pre-paid services.

The business rules of the municipality will apply at all times. Current account amounts, arrear amounts, linked account amounts and blocking codes will be transferred from the financial system to the vending system.

The system must make provision for capturing of debit– and credit cards payments and cancellation of payments (not tokens). Cancellation options must be linked to access rights.

NOTE: The debit card and credit card options must be configurable for each workstation.

The system must work in such a manner that the pre-paid electricity sales as well as the account payment amount be deducted from the credit amount on the dispensing unit.

The system must make provision for account payments on conventional meter accounts and rates accounts. The cashier must be warned before a transaction is finally accepted. The system must allow the cashier different search options but at least the following:

- I. Swipe meter card
- II. Manually key in meter number
- III. Manually key in billing account number

1.4.4.20. Vending

Amounts For each workstation in a vending system, a list of predefined typical purchase amounts must be able to be setup individually.

1.4.4.21. Third Party Vending

The service provider must be integrated with third party vending providers in order to provision the Municipality with a broad-based third- party footprint to sell prepaid utilities locally and nationally.

The footprint must include retail chain stores, banks, petrol stations web based sales using credit card and/or EFT, and non-retail vendors.

The service provider must indicate the process and cost, if any, of deploying additional footprint with non-retail (informal) vendors to areas where there is deemed to be insufficient coverage. The service provider should indicate the process that they use to deal with non-retail (informal) vendors that are over-charging customers. The service provider must describe in detail their remittance process where monies collected are paid across to the municipality. This must include payment schedules and administration requirements.

1.4.4.22. Customer Data Management, Revenue Protection Services and Active

The successful bidder must assist the municipality with Data Management and Revenue protection for the whole municipal area; this must include the following:

- a. Data and Revenue protection sweep audits
- b. Data and Revenue protection targeted audits
- c. Data and Revenue protection remedial actions
- d. Data analysis and interrogation
- e. Maintenance of continuous quality and accuracy updates to existing system data including GIS coordinates of meters audited.
- f. Provision of detailed reference database

- g. Spatial analysis and Geographical presentations of all audits through GIS techniques Service provider must make use of the latest techniques and technologies when performing of field audits and capturing of data, to eliminate human errors as far as possible. Hand-Held Devices (HHU) are preferred.

1.4.4.23. Implementation and Commissioning

The bidder shall be responsible for the conversion of current WMM Municipal system data, static as well as historical transaction as well as all meter related data to the new system of which the cost must be included in the proposal.

1.4.4.24. System Changes and Enhancements

The bidder shall indicate corporate policy requirements on system enhancements and changes, including mSCOA compliance and the upcoming key rollover.

1.4.4.25. System Site Visit/Demonstration

The PLM retains the right to request a full system demonstration and/or site visit. The bidder undertakes to arrange as such. A full list of current system users with contact details should be supplied by the bidder. The municipality reserves the right to contact any of these users and the bidder undertakes to arrange a site visit to any user(s) as indicated by the Municipality within a specified timeframe as agreed on.

1.4.4.26. Support Services

Bidders are requested to provide support services and related costing for a period of three (3) years. The support services must include:

- Second Line user and system support.
- Support service model and rate card for additional support services.
- Bidders must provide a draft Service Level Agreement that reflects the above support services.
- Bidders must provide pricing in accordance with the below breakdown:
- System and Solution Pricing
- Implementation and other Related Services
- SLA for 3 Years (including continuous improvements)

Bidder to provide technical and customer support services as follows:

- Detailed problem logging and escalation process with timelines;
- To provide a flow chart - At a minimum, explain the number of severity levels, the criteria used to define problem severity at each level, who is notified at each level, and the time period between each severity level;
- To provide a solution that has proactive service features. Bidder to describe any ability to self-diagnose errors and perform automated corrective action;
- To describe the Professional Services capability as it pertains to this project. Include services offered, locations provided, and whether insourced or outsourced personnel are used;
- To provide the details of the contractual arrangements between the bidder and the various communication networks, such as mobile telephone networks; to ensure that an uninterrupted service is provided.

1.4.4.27. Small Medium and Micro Enterprise (SMME) Development

In support of the government development project through SMME development, the municipality will use this project as part of ICT SMME skills development.

As a result a portion 35% of this project will be delivered through an SMME/individual vendors that is currently active in the ICT space within the Alfred Nzo District. It is therefore expected that the bidder will provide a Skills development plan for skills transfer to the vendors.

1.4.4.28. Customer References

The bidder must supply at least have three reference letters from other Municipalities confirming that the bidder provides them with an online-electricity vending services. The letter should provide the following details pertaining to each implementation:

- Brief summary of the initiative
- Delivery timeframe
- Contactable references

1.4.4.29. TID Rollover

As part of the contract the service provider shall be responsible to implement the TID rollover process commencing on commissioning of the new Vending System. The process shall include the supply, implementation and commissioning of the required STS hardware and software as well as the process to effect the base date update on each STS meter.

The base date update on each STS meter shall be undertaken by physically entering the tokens into the meter while auditing the meter installation at the same time.

1.4.4.30. Training & Administration

The successful bidder shall provide training as follows:

Department	Training Requirements
Counter Services and Prepayment	Operational and Administrative
Vendor Training	Operational
Debt Management	Operational and Administrative
Revenue Protection	Operational and Administrative
Electrical Engineering	Administrative and Technical
ICT System Administrator	System Maintenance
ICT Technical Engineers	Hardware Maintenance

The training will be conducted onsite and all trained staff members must be issued with a certificate after completion. The bidder shall create a Standard Administration and Maintenance Procedure for solution provided.

1.4.4.31. Integration with the municipal Billing/ Financial system

The service provider must be able to integrate fully with the municipal billing system (currently MUNSOFT financial system) with regards to daily transactions sales, and be able to be linked to existing consumer accounts, speed point purchases and vice versa.

1.4.5. Mandatory Documents and Information

The documents listed and information must also be submitted. Failure to submit such documents and information will deem the tender submission to be non-responsive:

- STS Edition 2 Compliance Certificate
- Size and Ability to Support Online Vending System;
- Bidder to describe the company's existing vending infrastructure (e.g. cellular phone/internet vending, etc.), including the volume of transactions, size and number of vending points;

The bidder should furnish the information on major past supplies under the relevant product/services and satisfactory performance for the last five financial years;

The bidder should be a manufacturer or the OEM authorized representative of respective system and or supply and maintenance of the offered items for a minimum period of three years in South Africa;

The bidder to provide the name, respective titles, and years of experience of the person/s who will be responsible for management/co-ordination of all work on the project. In addition, provide the names of all personnel that are proposed to be involved in the project, their resumes, and their proposed roles/responsibilities (including the name of subcontractors and their personnel who will be working on the project, if any);

The Bidder to provide a summary describing the bidder's area of expertise and resource capabilities as they relate to this proposal; Bidder shall also submit a minimum of three references from similar projects. Listing shall include name and address, title and phone number of a contact person at that client.

The municipality reserves the right to contact any of the references supplied by the bidder to obtain information regarding work that the bidder has performed.

COMPLIANCE SCHEDULE

No.	Question	Yes / No	Comments
	Does the system comply with all the STS specifications as listed in • the tender? STS certificate to be supplied		
	Is the STS certificate in the name of the bidding company		
	<p>Does the system allow for configuration by the municipality for various system requirements Is a list of system limitations attached?</p> <p>Is a full, detailed functionality description of the system attached?</p> <p>Is there a detailed strategy for the upcoming TID rollover included • with an indication of cost to the Municipality</p>		
	<p>Is a detailed graphical drawing of the proposed network and system • attached?</p> <p>Is a detailed disaster recovery plan attached?</p> <p>Is a comprehensive 3rd Party payment remittance process attached?</p> <p>Are different servers utilized for the different applications e.g. • transaction server, management server, etc.?</p> <p>Is this a single database solution with no data transfer or replication required?</p> <p>Does the system have the capability to provide pre-paid services to Electricity customers using a single interface?</p> <p>Does a single Customer record have the ability to link to multiple meter account types?</p> <p>Does the system integrate to other vending mechanics such as an automatic cash handling machines, self-service terminals and other third party options using Eskom XMLV end as an interface language?</p> <p>Is the system native XML or does it require a translation interface for XML based vending?</p> <p>Does the system allow for convenience charges to be charged at specific vending outlets over specific periods Does the system provide for integration to the other systems in use at the municipality through the following options: periodic bulk export/import/registration of data/meter to and from other business systems, on-line real-time per transaction synchronization of data?</p>		

	<p>Have the requirements of mSCOA been addressed in the offer?</p> <p>Does the system comply with financial services regulations regarding storage of data?</p> <p>Does the system provide WEB integration for management functionality and reporting? Specify what standard will be used. Can the administrators log into the servers directly from their offices? Can admins log in remotely over the internet? Is a list of license requirements with limitations attached?</p> <p>Does the system provide for smart metering?</p> <p>Does the system provide for access rights into the system for users and groups?</p>		
	<p>Does the system provide for user ID disabled or removed to remain in history transaction data?</p> <p>Does the system provide for arrear recovery in line with the credit control policy of the municipality?</p> <p>Does the system provide for at least the following arrear recovery alternatives: fixed percentage of transaction recovery; service based recovery; full arrear payment recovery; partial arrear payment recovery with limited electricity sales?</p> <p>Does the system provide for “free issues” (EBSST token) to specific customers like indigents?</p> <p>Does the system allow a “free issue” (EBSST token) to indigents • without having to purchase electricity or pay arrear amounts even if system is set to full arrear recovery?</p> <p>Does the system print “duplicate invoice” or “copy invoice” on a receipt if the “free issues” (EBSST token) is requested more than once in a calendar month?</p> <p>Does the system allow the generation of all engineering tokens directly from the system master station?</p> <p>Does the system allow all engineering tokens to be either printed, viewed without printing or sent through SMS?</p> <p>Does the system support all the different types of engineering vouchers as specified in the tender?</p>		
	<p>Does the system provide for up-front vending</p>		

	<p>Can the abovementioned amount be defined per client connection?</p>		
	<p>Does the system provide for messages at the bottom of the token voucher which can be changed by the municipality according to the municipality's requirements?</p> <p>Does the system keep all historical connections between the meter, point of connection and the customer?</p> <p>Does the system allow vending when a point of connection, meter or tariff is not linked to a customer?</p> <p>Does the system allow payment of accounts although a blocking code is active that does not allow the customer to purchase pre-paid electricity tokens?</p> <p>Does the system provide for at least the standard reports as stipulated in the tender?</p> <p>Does the system allow for preview of reports before printing?</p> <p>Does the system support the use of vending based tariffs?</p> <p>Does the system provide for pre-defined tariffs by date to be created in advance?</p> <p>Does the system accommodate the current vending structures of the municipality?</p> <p>Does the system support IBT (stepped tariffs)?</p> <p>Does the system support vending based VAT that is calculated at time of vending?</p> <p>Does the system provide for batch numbers to follow sequentially and print a breakdown of all money received separately?</p> <p>Does the system provide for the payment of arrear amounts, current amounts or linked account separately from purchasing pre-paid electricity tokens?</p> <p>Does the system provide for the cashier to enter the full amount from which the arrear amount will automatically be deducted and the remainder of the money will then automatically be allocated towards pre-paid electricity sales?</p> <p>Does the system make provision to warn the cashier before finalizing any transaction?</p>		

	<p>Does the system provide for integration of historical data?</p> <p>Is a list of current system users with full contact details supplied?</p> <p>Was an assessment of current infrastructure done and an optimum solution recommendation attached?</p>		
	<p>Is the system TCP/IP compliant and be able to operate real-time over Ethernet on a LAN/WAN/WIFI/GPRS /3G/EDGE/HSDPA/ADSL /DIGINET environment as available in certain areas?</p> <p>Does the system support vending stations running on at least Windows XP?</p> <p>Are all communications between client and server secured by mutually authenticated SSL certificates?</p> <p>Is provision made for periodic data synchronization with an off-line database in the municipal environment?</p> <p>Does the system support the latest version of The standard Microsoft Internet Explorer and always keep up with updates by Microsoft. Does the system function under low-bandwidth requirements with minimum packet size? Please specify the band-width. Is there an aggregator support letter attached?</p> <p>Is there confirmation of on • -line billing system integration attached?</p>		

FUNCTIONALITY

Bidders must score a minimum of 60 % of points.

Item	Description	Value		Score	Score
1.	Single interface, integrated multiutility system, vending Electricity from a single interface. A demonstration of this may be requested	15	Full description and STS Ed 2 approval description and/or STS approval	15 0	
2.	Broad based third-party vending footprint provided to municipalities including retail, banks, informal (full detailed list must be provide)	10	5 years 2 years 0 years	10 5 0	
3.	Hosted on-line vending provided to municipalities (Provide support letters from municipalities OR list of contactable references with start dates.	10	5 years 2 years 0 years	10 5 0	

4.	Disaster recovery and business continuity plan	10	Plan include No plan	10 0	
5.	Provision for an off-line database snapshot hosted at the municipality	5	Provision No provision	5 0	
6.	Letters from municipalities confirming third party vending and arrears collection	10	5 years 2 years 0 years	10 5 0	
7.	Detailed mSCOA implementation approach and proof of on-line integration included	10	Plan and proof No proof	10 0	
8.	Overview of approach to the STS TID key rollover and confirmation from 3 municipalities that this is currently in progress	10	Plan include No plan	10 0	
9.	Fully integrated mobile engineering application for field staff including audit, meter replacement and TID update functionality	10	Comprehensive tool Basic tool No tool	10 5 0	
10.	Skills development and transfer plan	10	Plan and confirmation included No plan	10 0	
Total		100	Obtained		

1.2: TENDER CONDITIONS AND INFORMATION

1. General and special conditions of contract

The general conditions of contract (GCC) as well as special conditions of contract (SCC) forming part of this set of tender documents will be applicable to this tender in addition to the conditions of tender. Where the GCC and SCC are in conflict with one another, the stipulations of the SCC will prevail.

2. Acceptance or Rejection of a tender

The municipality reserves the right to withdraw any invitation to tender and/or to re-advertise or to reject any tender or to accept part of it. The municipality does not bind itself to accepting the lowest tender or the tender scoring the highest points. The municipality reserves the right to waive any requirements as contained in the bid conditions and or specifications.

3. Validity Period

Bids shall remain valid for ninety (90) days after the tender closure date.

4. VAT

Price(s) quoted must be firm and must be inclusive of VAT.

5. Registration on central supplier database

It is expected of all prospective service providers who are not yet registered on the central supplier database to register without delay on the prescribed form. The municipality reserves the right not to award tenders to prospective suppliers who are not registered on the database.

6. Completion of Tender Documents

- a) The original tender document must be completed fully in black ink and signed by the authorised signatory to validate the tender. Failure to do so will result in the disqualification of the tender.
- b) Tender documents may not be retyped. Retyped documents will result in the disqualification of the tender.
- c) The complete tender document must be returned. Missing pages will result in the disqualification of the tender.
- d) No unauthorised alteration of this set of tender documents will be allowed. Any unauthorised alteration will disqualify the tender automatically. Any ambiguity has to be cleared with contact person for the tender before the tender closure.

7. Compulsory Documentation

7.1 Tax Clearance Certificate

- a) A copy of a Tax Compliance Status Pin or a Tax Compliance Certificate, printed from the South African Revenue Service (SARS) website, must accompany the bid documents. The onus is on the bidder to ensure that their tax matters with SARS are in order.
- b) In the case of a Consortium/Joint Venture every member must submit a separate Tax Compliance Status Pin and a Tax Compliance Certificate, printed from the SARS website, with the bid documents.
- c) If a bid is not supported by a Tax Compliance Status Pin and a Tax Compliance Certificate as an attachment to the bid documents, the Municipality reserves the right to obtain such documents after the closing date to verify that the bidder's tax matters are in order. If no such document can be obtained within a period as specified by the Municipality, the bid will be disqualified.
- d) The Tax Compliance Status Pin will be verified by the Municipality on the SARS website.

7.2 Municipal Rates, Taxes and Charges

- a) A copy of the bidder's (in the name of the company and/or lease agreement) and / or those of its directors municipal accounts (for the Municipality where the bidder pays his account) for the month preceding the tender closure date must accompany the tender documents. If such a copy does not accompany the bid document of the successful bidder, the Municipality reserves the right to obtain such documents after the closing date to verify that their municipal accounts are in order.
- b) Any bidder which is or whose directors are in arrears with their municipal rates and taxes or municipal charges due to any Municipality or any of its entities for more than three months and have not made an arrangement for settlement of same before the bid closure date will be unsuccessful.
- c) If a bidder rents their premises, proof must be submitted that the rental includes their municipal rates and taxes or municipal charges and that their rent is not in arrears.

- d) In the event of residing at the rural area where services are not rendered a letter from the tribal authority with affidavit must be submitted.
- e) Must be current municipal account.

8. Compulsory statutory supporting documents

- a) Certified copies of Identity Documents of members / shareholders / directors of the company (original stamp not older than 3 months).
- b) Valid CIPC documents / copies of company registration documents.
- c) Declaration of interest forms duly completed (MBD documents).
- d) General conditions of contract must be properly signed.
- e) Local content documents to be complete (when applicable)

9. Conditions

Comply with conditions as specified in the Bid documents and / or specification documents.

10. Quotation

- a) Specifications must be disclosed on the quotation.
- b) Quotation must be properly signed and must be on the company's letterhead.

11. Site / Information Meetings

- a) Site or information meetings, if specified, are compulsory. Bids will not be accepted from bidders who have not attended compulsory site or information meetings.

12. Samples

Samples, if requested, are to be provided to the Municipality with the tender document or as stipulated.

13. Quantities of Specific Items

If tenders are called for a specific number of items, the Municipality reserves the right to change the number of such items to be higher or lower. The successful bidder will then be given an opportunity to evaluate the new scenario and inform the Municipality if it is acceptable. If the successful bidder does not accept the new scenario, it will be offered to the second-placed bidder. The process will be continued to the Municipality's satisfaction.

14. Submission of Tender

- a) The tender should be clearly marked and must be submitted to 24 Hertzog Street, Hartswater.
- b) Faxed and late tenders will not be accepted.

15. Expenses Incurred in Preparation of Tender

The Municipality shall not be liable for any expenses incurred in the preparation and submission of the tender.

16. Contact with Municipality after Tender Closure Date

Bidders shall not contact Phokwane Local Municipality on any matter relating to their bid from the time of the opening of the bid to the time the contract is awarded. If a bidder wishes to bring additional information to the attention of Phokwane Local Municipality, it should do so in writing. Any effort by the firm to influence Phokwane Local Municipality in the bid evaluation, bid comparison or contract award decisions may result in the rejection of the bid.

17. Opening, Recording and Publications of Tenders Received

- a) Tenders will be opened on the closing date immediately after the closing time specified in the tender documents. If requested by any bidder present, the names of the bidders, and if practical, the total amount of each bid and of any alternative bids will be read out aloud.
- b) Details of tenders received in time will be recorded in a register which is open to public inspection.
- c) Faxed and late tenders will not be accepted.

18. Evaluation of Tenders

Tenders will be evaluated in terms of their responsiveness to the tender specifications and requirements as well as such additional criteria as set out in this set of tender documents.

19. Procurement Policy

Bids will be evaluation in terms of the 80 (price) /20 (B-BBEE status) preferential point system. Bids will be awarded in accordance with the Preferential Procurement Regulations, 2001 pertaining to the Preferential Procurement Policy Framework Act, No 5 of 2000 and its amendments as well as the Municipality's Supply Chain Management Policy.

20. Contract

The Municipality, at its discretion, may request the signing of an additional Service Level Agreement which, together with the signed tender document, will constitute the full agreement between the Municipality and the successful bidder.

21. Subcontracting

- a) The service provider shall not subcontract the whole of the Contract.
- b) Except where otherwise provided by the service provider, the service provider shall not subcontract any part of the Contract without the prior written consent of the Municipality, which consent shall not be unreasonably withheld.
- c) The contractual relationship between the service provider and any subcontractors selected by the service provider in consultation with the Municipality in accordance with the requirements of and a procedure contained within the Scope of Work, shall be the same as if the service provider had appointed the subcontractor in terms of paragraph (b) above.
- d) Any consent granted in accordance with paragraph (b) or appointment of a subcontractor in accordance with paragraph (c) shall not imply a contract between the Municipality and the subcontractor, or a responsibility or liability on the part of the Municipality to the subcontractor and shall not relieve the service provider from any liability or obligation under the Contract and he shall be liable for the acts, defaults and neglects of any subcontractor, his agents or employees as fully as if they were the acts, defaults or neglects of the service provider, his agents or employees.

22. Language of Service Provider

The contract documents will be compiled in English and the English versions of all referred documents will be taken as applicable.

23. Extension of Contract

The contract with the successful bidder may be extended on the basis of performance with a period not exceeding 15% of the original contract.

24. Wrong Information Furnished

Where a contract has been awarded on the strength of the information furnished by the bidder which, after the conclusion of the relevant agreement, is proved to have been incorrect, the Municipality may, in addition to any other legal remedy it may have, recover from the contractor all costs, losses or damages incurred or sustained by the Municipality as a result of the award of the contract.

25. Past Practices

- a) The bid of any bidder may be rejected if that bidder or any of its directors have abused the municipality's supply chain management system or committed any improper conduct in relation to such system.
- b) The bid of any bidder may be rejected if it is or has been found that that bidder or any of its directors influenced or tried to influence any official or councilor with this or any past tender.
- c) The bid of any bidder may be rejected if it is or has been found that that bidder or any of its directors offered, promised or granted any official or any of his/her close family members, partners or associates any reward, gift, favor, hospitality or any other benefit in any improper way, with this or any past tender.

26. Validity of BEE certificates:

- a) **If the certificate was issued by a verification agency the following must be on the face of the certificate:**
SANAS logo, unique BVA number, must be an original certificate or certified copy of the original, the name and physical location of the bidder, the registration number and, where applicable, the VAT number of the bidder, the date of issue and date of expiry of the certificate, the certificate number for identification and reference, the scorecard that was used (for example EME, QSE or Generic), the name and / or logo of the Verification Agency, the certificate must be signed by the authorized person from the Verification Agency and the B-BBEE Status Level of Contribution obtained by the bidder.
- b) **If the certificate was issued by registered auditors approved by IRBA**
Clearly identify the B-BBEE approved registered auditor by the auditor's individual registration number with IRBA and the auditor's logo, clearly record an approved B-BBEE Verification Certificate identification reference in the format required by the SASAE, reflect relevant information regarding the identity and location of the measured entity, identify the Codes of Good Practice or relevant Sector Codes applied in the determination of the scores, record the weighting points (scores) attained by the measured entity for each scorecard element, where applicable, and the measured entity's overall B-BBEE Status Level of Contribution, reflect that the B-BBEE Verification Certificate and accompanying assurance report issued to the measured entity is valid for 12 months from the date of issuance and reflect both the issuance and expiry date, and the B-BBEE Status Level of Contribution obtained by the bidder and must be an certified copy of the original.

FAILURE TO COMPLY WITH THE ABOVEMENTIONED WILL RESULT IN NO PREFERENCE POINTS BEING AWARDED

27. Letter of Good Standing from the Commissioner of Compensation

- a) A valid Letter of Good Standing from the Compensation Commissioner or a copy thereof, must accompany the bid documents unless the bidder is registered on the Central Supplier Database and they have a valid Letter of Good Standing from the Compensation Commissioner or a copy thereof for the bidder on record. The onus is on the bidder to ensure that the Municipality has a valid Letter of Good Standing from the Compensation Commissioner or a copy thereof on record.
- b) In the case of a Consortium/Joint Venture every member must submit a separate valid Letter of Good Standing from the Compensation Commissioner or a copy thereof with the bid documents unless the member is registered on the Central Supplier Database and they have a valid Letter of Good Standing from the Compensation Commissioner or a copy thereof on record for all members of the Consortium/Joint Venture.
- c) If a bid is not supported by a valid Letter of Good Standing from the Compensation Commissioner or a copy thereof, either as an attachment to the bid documents or on record in the case of suppliers registered on the Central Supplier Database, the Municipality reserves the right to obtain such document after the closing date. If no such document can be obtained within a period as specified by the Municipality, the bid will be disqualified.
- d) If a bid is accompanied by proof of application for valid Letter of Good Standing from the Compensation Commissioner, the original or copy thereof must be submitted on/or before the final date of award.
- e) Should a bidder's Letter of Good Standing from the Compensation Commissioner expires during the contract period, a valid certificate must be submitted within an agreed upon time.
- f) The right is reserved to not award a tender if a valid Letter of Good Standing from the Compensation Commissioner or a certified copy thereof is not submitted within the requested time.

28. Authorized Signatory

- a) A bid shall be eligible for consideration only if it bears the signature of the bidder or of some person duly and lawfully authorized to sign it for and on behalf of the bidder.

29. Negotiations

Should the tender prices be higher than the available funds of the client, the client reserves the right to negotiate with the successful bidder to limit the work in accordance with the tender specifications in order not to exceed the available budget.

30. SABS Approved

Product must be SABS approved.

31. In the case of a Trust, Consortium or Joint venture the following will apply:

- i) The Trust, Consortium or Joint venture agreement must be submitted as part of the bid documents;
- ii) No amendments to Trust, Consortium or Joint venture agreement may be made without the prior approval of the Municipality; if not accepted by the Municipality and the Trust, Consortium or Joint venture continue without approval the Trust, Consortium or Joint venture contract can be cancelled as if poor performance had taken place;
- iii) The Trust, Consortium or Joint venture will only qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits, together with the submission of the bid, their B-BBEE status level certificate issued in the name of the Trust, Consortium or Joint venture.
- iv) All members of the Trust, Consortium or Joint venture must submit, with the bid documents:
 - a) A valid tax clearance certificate or SARS tax pin, individually;
 - b) an agreement that clearly provides clarity of Profit and liability sharing; and
 - c) a resolution taken by the board of directors of the Consortium or Joint venture and other information that agrees with the Trust, Consortium or Joint venture agreement.
- v) For the evaluation of functionality regarding a Consortium or Joint venture refer to the functionality section.

1.3: GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

- i. Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- ii. To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 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.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 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.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 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 revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
 - 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.
 - 1.14 "GCC" means the General Conditions of Contract.
 - 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
 - 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 as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

	<p>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.</p> <p>1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.</p> <p>1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.</p> <p>1.20 "Project site," where applicable, means the place indicated in bidding documents.</p> <p>1.21 "Purchaser" means the organization purchasing the goods.</p> <p>1.22 "Republic" means the Republic of South Africa.</p> <p>1.23 "SCC" means the Special Conditions of Contract.</p> <p>1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.</p> <p>1.25 "Written" or "in writing" means hand-written in ink or any form of electronic or mechanical writing.</p>
2. Application	<p>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.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p>
3. General	<p>3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.</p> <p>3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za</p>
4. Standards	<p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p>
5. Use of contract documents and information; inspection	<p>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 so far as may be necessary for purposes of such performance.</p> <p>5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.</p> <p>5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.</p> <p>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.</p>

6. Patent rights	6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
7. Performance security	<p>7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.</p> <p>7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.</p> <p>7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:</p> <p style="padding-left: 40px;">(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or</p> <p style="padding-left: 40px;">(b) an cashier's or certified cheque.</p> <p>7.4 The performance security will be discharged by the purchaser and returned to the provider 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.</p>
8. Inspections, tests and analyses	<p>8.1 All pre-bidding testing will be for the account of the bidder.</p> <p>8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to 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.</p> <p>8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.</p> <p>8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 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.</p> <p>8.5 Where the supplies or services referred to in clauses 8.2 and 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.</p> <p>8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.</p> <p>8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed 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 purchaser may, without giving the provider further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.</p> <p>8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.</p>
9. Packing	9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case

	<p>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.</p> <p>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 instruction ordered by the purchaser.</p>
10. Delivery and documents	<p>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.</p> <p>10.2 Documents to be submitted by the supplier are specified in SCC.</p>
11. Insurance	<p>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.</p>
12. Transportation	<p>12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.</p>
13. Incidental Services	<p>13.1 The provider may be required to provide any or all of the following services, including additional services, if any, specified in SCC:</p> <ol style="list-style-type: none"> 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. <p>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.</p>
14. Spare parts	<p>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:</p> <ol style="list-style-type: none"> (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: <ol style="list-style-type: none"> 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.
15. Warranty	<p>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.</p> <p>15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.</p>

	<p>15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.</p> <p>15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.</p> <p>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.</p>
16. Payment	<p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p>
17. Prices	<p>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.</p>
18. Contract amendments	<p>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.</p>
19. Assignment	<p>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.</p>
20. Subcontracts	<p>20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts 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.</p>
21. Delays in the supplier's performance	<p>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.</p> <p>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.</p> <p>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 a local authority.</p> <p>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.</p> <p>21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.</p> <p>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</p>

	<p>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.</p>
22. Penalties	<p>22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.</p>
23. Termination for default	<p>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:</p> <ol style="list-style-type: none"> 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 21.2; b. if the supplier fails to perform any other obligation(s) under the contract; or c. if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract. <p>23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.</p> <p>23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.</p> <p>23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.</p> <p>23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first- mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.</p> <p>23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:</p> <ol style="list-style-type: none"> i. the name and address of the supplier and / or person restricted by the purchaser; ii. the date of commencement of the restriction; iii. the period of restriction; and iv. the reasons for the restriction. <p>These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.</p> <p>23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.</p>

<p>24. Anti-Dumping and countervailing duties and rights</p>	<p>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 or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.</p>
<p>25. Force Majeure</p>	<p>25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.</p> <p>25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.</p>
<p>26. Termination for insolvency</p>	<p>26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.</p>
<p>27. Settlement of disputes</p>	<p>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.</p> <p>27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.</p> <p>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.</p> <p>27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC</p> <p>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 provider any monies due the supplier.</p>
<p>28. Limitation of liability</p>	<p>28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 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 of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and 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.</p>
<p>29. Governing language</p>	<p>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.</p>
<p>30. Applicable law</p>	<p>30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.</p>

31. Notices	<p>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.</p> <p>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.</p>
32. Taxes and duties	<p>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.</p> <p>32.2 A local provider shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.</p> <p>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.</p>
33. National Industrial Participation Programme (NIPP)	<p>33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.</p>
34. Prohibition of restrictive practices	<p>34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder(s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).</p> <p>34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchase may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.</p> <p>34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.</p>

CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT I HAVE READ AND UNDERSTOOD THE GENERAL CONDITIONS OF CONTRACT.**

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

1.4: GUIDANCE DOCUMENT FOR THE CALCULATION OF LOCAL CONTENT

1. DEFINITIONS	
Unless explicitly provided in this guideline, the definitions given in SATS 1286:2011 apply.	
2. GENERAL	
2.1 Introduction	<p>This guideline provides tenderers with a detailed description of how to calculate local content of products (goods, services and works) by components/material/services and enables them to keep an updated record for verification requirements as per the SATS 1286:2011 Annexure A and B.</p> <p>The guideline consists of two parts, namely:</p> <ul style="list-style-type: none"> • a written guideline; and • three declarations that must be completed: <ul style="list-style-type: none"> – Declaration C: “Local Content Declaration – Summary Schedule” (see Annexure C); – Declaration D: “Imported Content Declaration – Supporting Schedule to Annex C” (see Annexure D); and – Declaration E: “Local Content Declaration – Supporting Schedule to Annex C” (see Annexure E). <p>The guidelines and declarations should be used by tenderers when preparing a tender. A tenderer must complete Declarations D and E, and consolidate the information on Declaration C.</p> <p>Annexure C must be submitted with the tender by the closing date and time as determined by the Tender Authority. The Tender Authority reserves the right to request that Declarations D and E also be submitted.</p> <p>If the tender is successful, the tenderer must continuously update Declarations C, D and E with actual values for the duration of the contract.</p> <p>NOTE: Annexure A is a note to the purchaser in SATS 1286:2011; and Annexure B is the Local Content Declaration IN SATS 1286:2011.</p>
2.2 What is local content	According to SATS 1286:2011, the local content of a product is the tender price less the value of imported content, expressed as a percentage. It is, therefore, necessary to first compute the imported value of a product to determine the local content of a product.
2.3 Categories: Imported and Local Content	<p>The tenderer must differentiate between imported content and local content.</p> <p>Imported content of a product by components/material/services is separated into two categories, namely:</p> <ul style="list-style-type: none"> • products imported directly by the tenderer; and • products imported by a third party and supplied to the tenderer.
2.3.1. Imported Content	<p>Identify the imported content, if any, by value for products by component/material/services. In the case of components/materials/services sourced from a South African manufacturer, agent, supplier or subcontractor (i.e. third party), obtain that information and Declaration D from the third party.</p> <p>Calculate the imported content of components/materials/services to be used in the manufacture of the total quantity of the products for which the tender is to be submitted.</p> <p>As stated in clause 3.2.4 of SATS 1286:2011: “If information on the origin of components, parts or materials is not available, it will be deemed to be imported content.”</p>

	<p>2.3.1.1. Imported directly by the tenderer:</p> <p>When the tenderer import products directly, the onus is on the tenderer to provide evidence of any components/materials/services that were procured from a non-domestic source. The evidence should be verifiable and pertain to the tender as a whole. Typical evidence will include commercial invoices, bills of entry, etc.</p> <p>When the tenderer procures imported services such as project management, design, testing, marketing, etc and makes royalty and lease payments, such payments relating to the tender must be included when calculating imported content.</p> <p>2.3.1.2. Imported by a third party and supplied to the tenderer:</p> <p>When the tenderer supplies components/material/services that are imported by any third party (for example, a domestic manufacturer, agent, supplier or subcontractor in the supply chain), the onus is on the tenderer to obtain verifiable evidence from the third party.</p> <p>The tenderer must obtain Declaration D from all third parties for the related tender. The third party must be requested by the tenderer to continuously update Declaration D. Typical evidence of imported content will include commercial invoices, bills of entry etc.</p> <p>When a third party procures imported services such as project management, design, testing, marketing etc. and makes royalty and lease payments, such payments relating to the tender must be included when calculating imported content.</p> <p>2.3.1.3. Exempt Imported Content:</p> <p>Exemptions, if any, are granted by the Department of Trade and Industry (the dti). Evidence of the exemptions must be provided and included in Annexure D.</p>
<p>2.3.2. Local Content</p>	<p>Identify and calculate the local content, by value for products by components/materials/services to be used in the manufacture of the total quantity of the products.</p>
<p>3. ANNEXURE C</p>	
<p>3.1. Guidelines for completing Annexure C: Local Content Declaration – Summary Schedule</p>	<p>Note: The paragraph numbers correspond to the numbers in Annexure C.</p> <p>C1. Tender Number Supply the tender number that is specified on the specific tender documentation.</p> <p>C2. Tender description Supply the tender description that is specified on the specific tender documentation.</p> <p>C3. Designated products Supply the details of the products that are designated in terms of this tender (i.e. buses).</p> <p>C4. Tender Authority Supply the name of the tender authority.</p> <p>C5. Tendering Entity name Provide the tendering entity name (for example, Unibody Bus Builders (Pty) Ltd).</p> <p>C6. Tender Exchange Rate Provide the exchange rate used for this tender, as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.</p> <p>C7. Specified local content % Provide the specified minimum local content requirement for the tender (i.e. 80%), as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MDB) 6.2.</p> <p>C8. Tender item number</p>

Provide the tender item number(s) of the products that have a local content requirement as per the tender specification.

C9. List of items

Provide a list of the item(s) corresponding with the tender item number. This may be a short description or a brand name.

Calculation of local content

C10. Tender price

Provide the unit tender price of each item excluding VAT.

C11. Exempted imported content

Provide the ZAR value of the exempted imported content for each item, if applicable. These value(s) must correspond with the value(s) of column D16 on Annexure D.

C12. Tender value net of exempted imported content

Provide the net tender value of the item, if applicable, by deducting the exempted imported content (C11) from the tender price (C10).

C13. Imported value

Provide the ZAR value of the items' imported content.

C14. Local value

Provide the local value of the item by deducting the Imported value (C13) from the net tender value (C12).

C15. Local content percentage (per item)

Provide the local content percentage of the item(s) by dividing the local value (C14) by the net tender value (C12) as per the local content formula in SATS 1286.

Tender Summary

C16. Tender quantity

Provide the tender quantity for each item number as per the tender specification.

C17. Total tender value

Provide the total tender value by multiplying the tender quantity (C16) by the tender price (C10).

C18. Total exempted imported content

Provide the total exempted imported content by multiplying the tender quantity (C16) by the exempted imported content (C11). These values must correspond with the values of column D18 on Annexure D.

C19. Total imported content

Provide the total imported content of each item by multiplying the tender quantity (C16) by the imported value (C13).

C20. Total tender value

Total tender value is the sum of the values in column C17.

C21. Total exempted imported content

Total exempted imported content is the sum of the values in column C18. This value must correspond with the value of D19 on Annexure D.

C22. Total tender value net of exempted imported content

The total tender value net of exempt imported content is the total tender value (C20) less the total exempted imported content (C21).

C23. Total imported content

	<p>Total imported content is the sum of the values in column C19. This value must correspond with the value of D53 on Annexure D.</p> <p>C24. Total local content Total local content is the total tender value net of exempted imported content (C22) less the total imported content (C23). This value must correspond with the value of E13 on Annexure E.</p> <p>C25. Average local content percentage of tender The average local content percentage of tender is calculated by dividing total local content (C24) by the total tender value net of exempted imported content (C22).</p>
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4. ANNEXURE D

<p>4.1. Guidelines for completing Annexure D: “Imported Content Declaration – Supporting Schedule to Annexure C”</p>	<p>Note: The paragraph numbers correspond to the numbers in Annexure D.</p> <p>D1. Tender number Supply the tender number that is specified on the specific tender documentation.</p> <p>D2. Tender description Supply the tender description that is specified on the specific tender documentation.</p> <p>D3. Designated products Supply the details of the products that are designated in terms of this tender (i.e. buses).</p> <p>D4. Tender authority Supply the name of the tender authority.</p> <p>D5. Tendering entity name Provide the tendering entity name (i.e. Unibody Bus Builders (Pty) Ltd).</p> <p>D6. Tender exchange rate Provide the exchange rate used for this tender, as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.</p> <p><u>Table A. Exempted Imported Content</u></p> <p>D7. Tender item number Provide the tender item number(s) of the product(s) that have imported content.</p> <p>D8. Description of imported content Provide a list of the exempted imported product(s), if any, as specified in the tender.</p> <p>D9. Local supplier Provide the name of the local supplier(s) supplying the imported product(s).</p> <p>D10. Overseas supplier Provide the name(s) of the overseas supplier(s) supplying the exempted imported product(s).</p> <p>D11. Imported value as per commercial invoice Provide the foreign currency value of the exempted imported product(s) disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).</p> <p>D12. Tender exchange rate Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.</p> <p>D13. Local value of imports Convert the value of the exempted imported content as per commercial invoice (D11) into the ZAR value by using the tender exchange rate (D12) disclosed in the tender documentation.</p>
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D14. Freight costs to port of entry

Provide the freight costs to the South African Port of the exempted imported item.

D15. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the exempted imported product(s) as stipulated in the SATS 1286:2011.

D16. Total landed costs excl VAT

Provide the total landed costs (excluding VAT) for each item imported by adding the corresponding item values in columns D13, D14 and D15. These values must be transferred to column C11 on Annexure C.

D17. Tender quantity

Provide the tender quantity of the exempted imported products as per the tender specification.

D18. Exempted imported value

Provide the imported value for each of the exempted imported product(s) by multiplying the total landed cost (excl. VAT) (D16) by the tender quantity (D17). The values in column D18 must correspond with the values of column C18 of Annexure C.

D19. Total exempted imported value

The total exempted imported value is the sum of the values in column D18. This total must correspond with the value of C21 on Annexure C.

Table B. Imported Directly By Tenderer**D20. Tender item numbers**

Provide the tender item number(s) of the product(s) that have imported content.

D21. Description of imported content:

Provide a list of the product(s) imported directly by tender as specified in the tender documentation.

D22. Unit of measure

Provide the unit of measure for the product(s) imported directly by the tenderer.

D23. Overseas supplier

Provide the name(s) of the overseas supplier(s) supplying the imported product(s).

D24. Imported value as per commercial Invoice

Provide the foreign currency value of the product(s) imported directly by tenderer disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).

D25. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D26. Local value of imports

Convert the value of the product(s) imported directly by the tenderer as per commercial invoice (D24) into the ZAR value by using the tender exchange rate (D25) disclosed in the tender documentation.

D27. Freight costs to port of entry

Provide the freight costs to the South African Port of the product(s) imported directly by the tenderer.

D28. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the product(s) imported directly by the tenderer as stipulated in the SATS 1286:2011.

D29. Total landed costs excl VAT

Provide the total landed costs (excluding VAT) for each item imported directly by the tenderer by adding the corresponding item values in columns D26, D27 and D28.

D30. Tender quantity

Provide the tender quantity of the product(s) imported directly by the tenderer as per the tender specification.

D31. Total imported value

Provide the total imported value for each of the product(s) imported directly by the tenderer by multiplying the total landed cost (excl. VAT) (D29) by the tender quantity (D30).

D32. Total imported value by tenderer

The total value of imports by the tenderer is the sum of the values in column D31.

Table C. Imported by Third Party and Supplied to the Tenderer

D33. Description of imported content

Provide a list of the product(s) imported by the third party and supplied to the tenderer as specified in the tender documentation.

D34. Unit of measure

Provide the unit of measure for the product(s) imported by the third party and supplied to tenderer as disclosed in the commercial invoice.

D35. Local supplier

Provide the name of the local supplier(s) supplying the imported product(s).

D36. Overseas supplier

Provide the name(s) of the overseas supplier(s) supplying the imported products.

D37. Imported value as per commercial invoice

Provide the foreign currency value of the product(s) imported by the third party and supplied to the tenderer disclosed in the commercial invoice accepted by SARS.

D38. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D39. Local value of imports

Convert the value of the product(s) imported by the third party as per commercial invoice (D37) into the ZAR value by using the tender exchange rate (D38) disclosed in the tender documentation.

D40. Freight costs to port of entry

Provide the freight costs to the South African Port of the product(s) imported by third party and supplied to the tenderer.

D41. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the product(s) imported by third party and supplied to the tenderer as stipulated in the SATS 1286:2011.

D42. Total landed costs excluding VAT

Provide the total landed costs (excluding VAT) for each product imported by third party and supplied to the tenderer by adding the corresponding item values in columns D39, D40 and D41.

D43. Quantity imported

Provide the quantity of each product(s) imported by third party and supplied to the tenderer for the tender.

D44. Total imported value

Provide the total imported value of the product(s) imported by third party and supplied to the tenderer by multiplying the total landed cost (D42) by the quantity imported (D43).

	<p>D45. Total imported value by third party The total imported value from the third party is the sum of the values in column D44.</p> <p><u>Table D. Other Foreign Currency Payments</u></p> <p>D46. Type of payment Provide the type of foreign currency payment. (i.e. royalty payment for use of patent, annual licence fee, etc).</p> <p>D47. Local supplier making the payment Provide the name of the local supplier making the payment.</p> <p>D48. Overseas beneficiary Provide the name of the overseas beneficiary.</p> <p>D49. Foreign currency value paid Provide the value of the listed payment(s) in their foreign currency.</p> <p>D50. Tender rate of exchange Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.</p> <p>D51. Local value of payments Provide the local value of each payment by multiplying the foreign currency value paid (D49) by the tender rate of exchange (D50).</p> <p>D52. Total of foreign currency payments declared by tenderer and/or third party The total of foreign currency payments declared by tenderer and/or a third party is the sum of the values in column D51.</p> <p>D53. Total of imported content and foreign currency payment The total imported content and foreign currency payment is the sum of the values in column D32, D45 and D52. This value must correspond with the value of C23 on Annexure C.</p>
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5. ANNEXURE E

<p>5.1. Guidelines to completing Annexure E: “Local Content Declaration Supporting Schedule to Annexure C”</p>	<p>The paragraph numbers correspond to the numbers in Annexure E</p> <p>E1. Tender number Supply the tender number that is specified on the specific tender documentation.</p> <p>E2. Tender description Supply the tender description that is specified on the specific tender documentation.</p> <p>E3. Designated products Supply the details of the products that are designated in terms of this tender (for example, buses/canned vegetables).</p> <p>E4. Tender authority Supply the name of the tender authority.</p> <p>E5. Tendering entity name Provide the tendering entity name (for example, Unibody Bus Builders (Pty) Ltd) Ltd).</p> <p>Local Goods, Services and Works</p> <p>E6. Description of items purchased Provide a description of the items purchased locally in the space provided.</p> <p>E7. Local supplier Provide the name of the local supplier that corresponds to the item listed in column E6.</p>
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E8. Value

Provide the total value of the item purchased in column E6.

E9. Total local products (Goods, Services and Works)

Total local products (goods, services and works) is the sum of the values in E8.

E10. Manpower costs:

Provide the total of all the labour costs accruing only to the tenderer (i.e. not the suppliers to tenderer).

E11. Factory overheads:

Provide the total of all the factory overheads including rental, depreciation and amortisation for local and imported capital goods, utility costs and consumables. (Consumables are goods used by individuals and businesses that must be replaced regularly because they wear out or are used up. Consumables can also be defined as the components of an end product that are used up or permanently altered in the process of manufacturing, such as basic chemicals.)

E12. Administration overheads and mark-up:

Provide the total of all the administration overheads, including marketing, insurance, financing, interest and mark-up costs.

E13. Total local content:

The total local content is the sum of the values of E9, E10, E11 and E12. This total must correspond with C24 of Annexure C.

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

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

Signature of tenderer from Annex B

(C21) Total Exempt imported content

(C22) Total Tender value net of exempt imported content

(C23) Total Imported content

Date:

(C24) Total local content

(C25) Average local content % of tender

Annex D

Imported Content Declaration - Supporting Schedule to Annex C

(D1) Tender No.		Note: VAT to be excluded from all calculations
(D2) Tender description:		
(D3) Designated Products:		
(D4) Tender Authority:		
(D5) Tendering Entity name:		
(D6) Tender Exchange Rate:	Pula <input type="text"/> EU <input type="text"/> GBP <input type="text"/>	

A. Exempted imported content

Calculation of imported content

Summary

Tender item no's	Description of imported content	Local supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Exchange Rate	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Tender Qty	Exempted imported value
(D7)	(D8)	(D9)	(D10)	(D11)	(D12)	(D13)	(D14)	(D15)	(D16)	(D17)	(D18)
(D19) Total exempt imported value											
This total must correspond with Annex C - C 21											

B. Imported directly by the Tenderer

Calculation of imported content

Summary

Tender item no's	Description of imported content	Unit of measure	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Rate of Exchange	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Tender Qty	Total imported value
(D20)	(D21)	(D22)	(D23)	(D24)	(D25)	(D26)	(D27)	(D28)	(D29)	(D30)	(D31)
(D32) Total imported value by tenderer											

C. Imported by a 3rd party and supplied to the Tenderer

Calculation of imported content

Summary

Description of imported content	Unit of measure	Local supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Rate of Exchange	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Quantity imported	Total imported value
(D33)	(D34)	(D35)	(D36)	(D37)	(D38)	(D39)	(D40)	(D41)	(D42)	(D43)	(D44)
(D45) Total imported value by 3rd party											

D. Other foreign currency payments

Calculation of foreign currency payments

Summary of payments

Type of payment	Local supplier making the	Overseas beneficiary	Foreign currency value paid	Tender Rate of Exchange	Local value of payments
(D46)	(D47)	(D48)	(D49)	(D50)	(D51)

(D52) Total of foreign currency payments declared by tenderer and/or 3rd party

Signature of tenderer from Annex B

(D53) Total of imported content & foreign currency payments - (D32), (D45) & (D52) above

Date:

This total must correspond with Annex C - C 23

Annex E

Local Content Declaration - Supporting Schedule to Annex C

(E1)	Tender No.		Note: VAT to be excluded from all calculations
(E2)	Tender description:		
(E3)	Designated products:		
(E4)	Tender Authority:		
(E5)	Tendering Entity name:		

Local Products (Goods, Services and Works)	Description of items purchased	Local suppliers	Value
	(E6)	(E7)	(E8)
	(E9) Total local products (Goods, Services and Works)		R 0.00

(E10)	Manpower costs	(Tenderer's manpower cost)	R 0.00
(E11)	Factory overheads	(Rental, depreciation & amortisation, utility costs, consumables etc.)	R 0.00
(E12)	Administration overheads and mark-up	(Marketing, insurance, financing, interest etc.)	R 0.00
		(E13) Total local content	R 0.00

This total must correspond with Annex C - C24

Signature of tenderer from Annex B

Date:

2.1: RETURNABLE MBD DOCUMENTS

2.1.1 MBD 1

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE PHOKWANE LOCAL MUNICIPALITY.					
BID NUMBER:	PVS/EO3/2022	CLOSING DATE:	23 June 2022	CLOSING TIME:	12H00
DESCRIPTION	ELECTRICITY PRE-PAID VENDING SYSTEM				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7.1)					

The tender should be clearly marked PVS/E03/2022

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:		AND	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes <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 <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [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:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	FINANCIAL SERVICES			Mr C Tswaile – christophet@phokwane.gov.za	
CONTACT PERSON	MARINDA VILJOEN		CONTACT PERSON	Mrs TP Mmusi (Fin) Mr C Tswaile IT	
TELEPHONE NUMBER	053 474 9700		TELEPHONE NUMBER	053 474 9700	
E-MAIL ADDRESS	marinda@phokwane.gov.za		E-MAIL ADDRESS	modisa@phokwane.gov.za	

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.

1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE**

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.

2. TAX COMPLIANCE REQUIREMENTS

2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.

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.

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.

2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.

2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.

2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO

3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? YES NO

3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? YES NO

3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? YES NO

3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? YES NO

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.

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:

2.1.2 MBD 2

It is 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 Services (SARS) to meet the bidder's tax obligations.

1. In order to meet this requirement bidders are required to complete the full 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 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 Tax Clearance Certificate PIN number 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 TCC001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za or at our SCM office.
6. Applications for the Tax Clearance Certificates may also be made via e-Filing. In order to use this provision, taxpayers will need to register with SARS as e-Filers through the website www.sars.gov.za.

2.1.3 MBD 3.1

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

NAME OF BIDDER		BID NUMBER	PVS/E01/2022
CLOSING TIME	12H00	CLOSING DATE	23 June 2022

OFFER TO BE VALID FOR DAYS FROM THE CLOSING DATE OF BID.

Item no.	Quantity	Description	Bid price in RSA Currency ** (ALL APPLICABLE TAXES INCLUDED)	
			Unit tariff	Total Cost

- Required by:
- At:
- Brand and Model
- Country of Origin
- Does the offer comply with the specification(s)?*YES/NO
- If not to specification, indicate deviation(s)
- Period required for delivery
- *Delivery:
Firm/Not firm
- Delivery basis

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

** "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

*Delete if not applicable

2.1.4 MBD 4

DECLARATION OF INTEREST

1.	No bid will be accepted from persons in the service of the state.	
2.	Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favoritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in the service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.	
3.	In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.	
3.1	Full Name of bidder or his / her representative:	
3.2	Identity Number:	
3.3	Position occupied in the Company (director, trustee, shareholder?):	
3.4	Company Registration Number:	
3.5	Tax Reference Number:	
3.6	VAT Registration Number:	
3.7	The names of all directors / trustees / shareholders / members, their individual identity numbers and state employee numbers (where applicable) must be indicated in paragraph 4 below.	
3.8	Are you presently in the service of the state?	YES / NO
3.8.1	If yes, furnish particulars:	
<p>¹ MSCM Regulations: "in the service of the state" means to be –</p> <p>(a) a member of –</p> <p style="margin-left: 20px;">(i) any municipal council;</p> <p style="margin-left: 20px;">(ii) any provincial legislature; or</p> <p style="margin-left: 20px;">(iii) the National Assembly or the National Council of Provinces;</p> <p>(b) a member of the board of directors of any municipal entity;</p> <p>(c) an official or any Municipality or municipal entity;</p> <p>(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);</p> <p>(e) a member of the accounting authority of any national or provincial entity; or</p>		

<p>(f) an employee of Parliament or a provincial legislature.</p> <p>² "Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercise control over the company.</p>		
3.9	<p>Have you been in the service of the state for the past twelve months?</p> <p>If yes, furnish particulars:</p> <p>3.9.1</p> <p>.....</p> <p>.....</p>	YES / NO
3.10	<p>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?</p> <p>If yes, furnish particulars:</p> <p>3.10.1</p> <p>.....</p> <p>.....</p>	YES / NO
3.11	<p>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?</p> <p>If yes, furnish particulars:</p> <p>3.11.1</p> <p>.....</p> <p>.....</p>	YES / NO
3.12	<p>Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in the service of the state?</p> <p>If yes, furnish particulars:</p> <p>3.12.1</p> <p>.....</p> <p>.....</p>	YES / NO
3.13	<p>Are any spouse, child or parent of the company's directors, trustees, managers, principle shareholders or stakeholders in the service of the state?</p> <p>If yes, furnish particulars:</p> <p>3.13.1</p> <p>.....</p> <p>.....</p>	YES / NO
3.14	<p>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?</p> <p>If yes, furnish particulars:</p> <p>3.14.1</p> <p>.....</p> <p>.....</p>	YES / NO

2.1.5 MBD 6.1

PREFERENCE POINT CLAIM FORM

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 **not to 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;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.

(g) “prices” includes all applicable taxes less all unconditional discounts; (h) “proof of B-BBEE status level of contributor”

means:

- 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (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:

80/20	or	90/10
$Ps = 80 \quad 1 - \frac{Pt - P \text{ min}}{P \text{ min}}$	or	$Ps = 90 \quad 1 - \frac{Pt - P \text{ min}}{P \text{ min}}$

Where

- Ps = Points scored for price of bid under consideration
- Pt = Price of bid under consideration
- Pmin = Price of lowest acceptable bid

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

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

B-BBEE Status Level of 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		NO	
-----	--	----	--

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		NO	
-----	--	----	--

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

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
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 certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in 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.

<p>WITNESSES</p> <p>1.</p> <p>2.</p>	<p style="text-align: center;">..... SIGNATURE(S) OF BIDDER(S)</p> <p>DATE:</p> <p>ADDRESS:</p> <p>.....</p> <p>.....</p>
---	---

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

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

1. General Conditions

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

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

Where

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

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

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

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

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

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

- 3. 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"/>
-----	--------------------------	----	--------------------------

- 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 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

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

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

- 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: PHOKWANE LOCAL MUNICIPALITY

NB

- The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on 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:

- The facts contained herein are within my own personal knowledge.
- I have satisfied myself that
 - the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011;
- 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 / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

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

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

2.1.7 MBD 7.1

CONTRACT FORM - PURCHASE OF GOODS/WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (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 numberdated.....for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

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

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

....

2.

2.1.8 MBD 8

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?</p> <p>(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>The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>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)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>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?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	<p>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?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	<p>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?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.5.1	If so, furnish particulars:
-------	-----------------------------

CERTIFICATION MBD 8

**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

2.1.9 MBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ 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).² 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. takes 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:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

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

MBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

TENDER NO: PVS/E03/2022 Description: Electricity prepaid vending system

(Bid Number and Description)

In response to the invitation for the bid made by:

PHOKWANE LOCAL MUNICIPALITY

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)

2. I have read and I understand the contents of this Certificate;
3. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
4. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
5. 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;
6. 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
7. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
8. 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;

2.2: RETURNABLE SCHEDULES
2.2.1 PROOF OF CSD REGISTRATION

Attach document to this page

Name of Tender:Date:.....

Signature:Position:

Full Name of signatory:

2.2.2 TAX CLEARANCE CERTIFICATE OR TAX COMPLIANCE STATUS PIN

Attach document to this page

Name of Tender:Date:.....

Signature:Position:

Full Name of signatory:

2.2.3 PROOF OF CURRENT MUNICIPAL RATES, TAXES AND CHARGES

Attach document to this page

Name of Tender:Date:.....

Signature:Position:

Full Name of signatory:

**2.2.4 CERTIFIED COPIES OF IDENTITY DOCUMENTS OF MEMBERS/
SHAREHOLDERS / DIRECTORS OF THE COMPANY (ORIGINAL
STAMP NOT OLDER THAN 3 MONTHS)**

Attach document to this page

Name of Tender:Date:.....

Signature:Position:

Full Name of signatory:

2.2.5 VALID CIPC DOCUMENTS / COPIES OF COMPANY REGISTRATION DOCUMENTS

Attach document to this page

Name of Tender:Date:.....

Signature:Position:

Full Name of signatory:

2.2.6 BBEE CERTIFICATE – ONLY THE FOLLOWING ORIGINAL BBEE CERTIFICATES AND / OR CERTIFIED COPY OF BBEE CERTIFICATES WILL BE ACCEPTED AND MUST BE ATTACHED. IRBA, SANAS OR SWORN AFFIDAVIT. (NO POINTS WILL BE CLAIMED WITHOUT BBEE CERTIFICATE).

Attach document to this page

Name of Tender:Date:.....

Signature:Position:

Full Name of signatory: