

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF LIMPOPO ECONOMIC DEVELOPMENT AGENCY

BID NUMBER: **CMR/SEC2016/17-1** CLOSING DATE: **16 SEPTEMBER 2016** CLOSING TIME: **12:00**

DESCRIPTION.....

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

DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)
DEVELOPMENT HOUSE, 1 MAIN STREET, LEBOWAKGOMO

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is generally open 24 hours a day, 7 days a week.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

NAME OF BIDDER.....

POSTAL ADDRESS.....

STREET ADDRESS.....

TELEPHONE NUMBER CODE.....NUMBER.....

CELLPHONE NUMBER

FACSIMILE NUMBER CODENUMBER.....

E-MAIL ADDRESS.....

VAT REGISTRATION NUMBER.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2) YES or NO

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

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA).....

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

OR.....

A REGISTERED AUDITOR.....

.....

[TICK APPLICABLE BOX]

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)

ARE YOU THE ACCREDITED REPRESENTATIVE
IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED?

YES or NO
[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER

DATE

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

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

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Department : Limpopo Development Agency

Contact Person : Tlou Nkhumishe

Tel : 015 633 4718

Fax : 015 633 4854

E-mail address : tlou.nkhumishe@lieda.co.za

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Contact Person : Robert Malatji

Tel : (015) 295

Fax : (015) 962 1298

E-mail address : Robert.Malatji@lieda.co.za

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

1. In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
3. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
5. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
6. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

**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.....
Closing Time 12:00	Closing date.....

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)
-	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

SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:.....

2.3 Position occupied in the Company (director, trustee, shareholder², member):
.....

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:
.....

2.5 Tax Reference Number:

2.6 VAT Registration Number:

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

¹"State" means –
 (a) 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);
 (b) any municipality or municipal entity;
 (c) provincial legislature;
 (d) national Assembly or the national Council of provinces; or
 (e) Parliament.

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

2.7 Are you or any person connected with the bidder **YES / NO**
presently employed by the state?

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:
Name of state institution at which you or the person
connected to the bidder is employed :
Position occupied in the state institution:

Any other particulars:
.....
.....
.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:
.....
.....
.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:
.....
.....
.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1 If so, furnish particulars.
.....
.....
.....

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid? **YES/NO**

2.10.1. If so, furnish particulars.
.....
.....
.....

2.11. Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies **YES/NO**

whether or not they are bidding for this contract?

2.11.1 If so, furnish particulars:

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

3. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	Personal Income Tax Reference Number	State Number / Number	Employee Pearsal

4 DECLARATION

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature Date

.....
Position Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

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

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

1.3 Preference points for this bid shall be awarded for:

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

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

	POINTS
1.3.1.1 PRICE	80
1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION	20
Total points for Price and B-BBEE must not exceed	100

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

2.1 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

2.2 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

2.3 **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act; Black

2.4 **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;

- 2.5 “**Broad-Based Black Economic Empowerment Act**” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 “**comparative price**” means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 “**consortium or joint venture**” means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 2.8 “**contract**” means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 “**EME**” means any enterprise with an annual total revenue of R5 million or less .
- 2.10 “**Firm price**” means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 “**functionality**” means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 “**non-firm prices**” means all prices other than “firm” prices;
- 2.13 “**person**” includes a juristic person;
- 2.14 “**rand value**” means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 “**sub-contract**” means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 “**total revenue**” bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 “**trust**” means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 “**trustee**” means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

5. Points awarded for B-BBEE Status Level of Contribution

5.1 In terms of Regulation 5 (2) and 6 (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	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.

5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.

5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group

- structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

7.1 B-BBEE Status Level of Contribution: =(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8 SUB-CONTRACTING

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

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

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm :

9.2 VAT registration number :

9.3 Company registration number :

9.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

9.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier

- Professional service provider
- Other service providers, e.g. transporter, etc.
[TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business?

9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution

WITNESSES:

1.

2.

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

DATE :

ADDRESS :

.....

.....

DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Question		Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>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)? 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 outside of 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>Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.4.1	If so, furnish particulars:
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CERTIFICATION

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

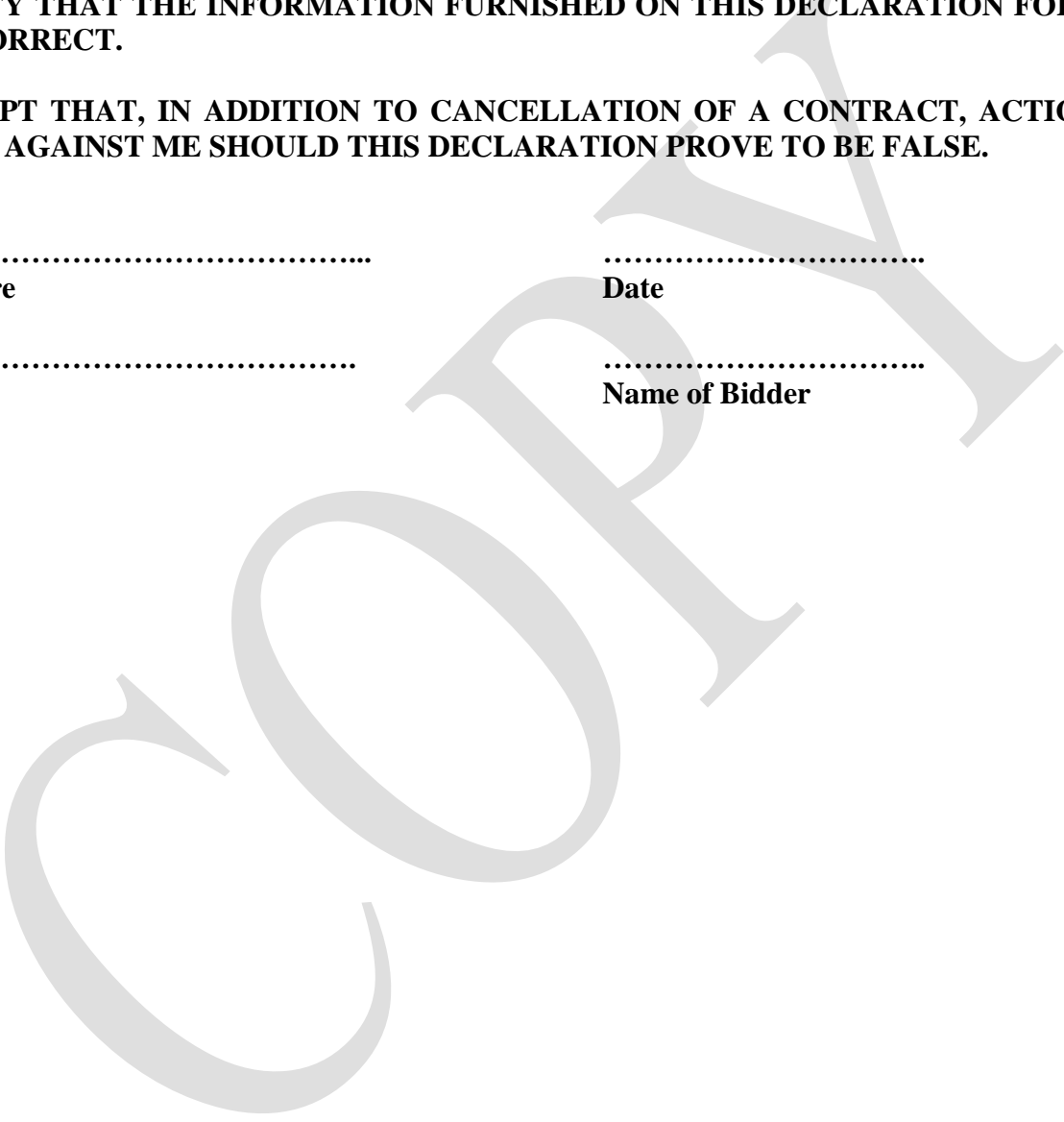
**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE
 TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder



CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) 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 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD 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 (SBD 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.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

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

- 6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
- 7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
- 8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

SPECIFICATION

FOR

APPOINTMENT OF A SERVICE PROVIDER TO RENDER SECURITY SERVICES AT FUMANI GOLD MINE FOR A PERIOD OF TWELVE (12) MONTHS

REQUEST FOR BID (RFB): CMR/SEC2016/17-1

CLOSING DATE : 16 SEPTEMBER 2016

CLOSING TIME : 12H00

APPOINTMENT OF A SERVICE PROVIDER TO RENDER SECURITY SERVICES AT FUMANI GOLD MINE FOR A PERIOD OF TWELVE (12) MONTHS

1. BACKGROUND

Corridor Mining Resources (CMR) is a diversified mining resources company, wholly owned by the Limpopo Economic Development Agency (LEDA). CMR's mandate is to promote economic development directly or indirectly through mining by optimizing the development of mineral resources, driving economic growth, creating job opportunities and promoting sustainable empowerment in mining.

CMR is a shareholder of Fumani Gold Mine and is managing its operational activities.

2. PURPOSE

The purpose of the RFB is to invite potential qualified service providers to submit bids with regard to the provision of security services at Fumani Gold Mine for a period of twelve months.

3. SPECIFICS

Services of qualified and experienced security personnel are required by CMR to perform duties at Fumani Gold Mine, Mtititi Village in Malamulele area.

The security services shall be provided at Fumani Gold Mine and shall in general entail the patrolling of premises, access control, control of assets, personnel and/ or members of the public escorting where required and protection from and/ or to buildings and general crime prevention measures as agreed upon.

The specific duties of security personnel in respect of the premises shall be as described in the specific duties of security personnel and Standing Operating Procedures (SOP's). These SOP's setting out the specific duties of the preferred bidder's security personnel shall be compiled by the preferred bidder at least 1 week before the security services commence. This SOP's may be amended from time to time, with the agreement of both parties.

The purpose of access control is to prevent the unauthorised access of persons and vehicles and the bringing in of any dangerous objects on to CMR property in order to safeguard the people, the property and the premises. In order to safeguard the premises and or vehicles and the contents thereof as well as the people therein or thereon, the bidder must do this in terms of the following acts:

- I. The application of the Control of Access to Public Premises and Vehicle Act, 1985, Section 2, 3 and 4, as well as; C5.
- II. The application of the Criminal Procedure Act, Act 51 of 1977, Section 20, 23(b) (as amended in the Criminal Procedure Amendment Act, 33 of 1986) Section 24, 29 and 42 (as amended in the Amendment of the Criminal Law Amendment Act, 59 of 1983) as well as Section 46, 49, 50 and 51
- III. Section 13 of the Constitution regarding violations must be avoided.
- IV. The Firearms Control Act 60 of 2000, section 10, 34, 90 and 106.

- V. Private Security Industry Regulation Act 56 of 2001
- VI. Protection of Information Act 84 of 1982
- VII. Trespass Act 6 of 1959
- VIII. Occupational Health and Safety Act 85 of 1993
- IX. National Key Points Act
- X. Other services may include but not limited to:
 - Patrol guards
 - Armed response team offsite

4. PERSONNEL REQUIREMENTS IN TERMS OF SECURITY SERVICES

The scope of services shall include without limitation the following:

PREMISES	DESCRIPTION	PERSONNEL REQUIRED	
		DAY SHIFT	NIGHT SHIFT
Fumani Gold Mine	Grade D Armed	2	2
	Grade D Unarmed	-	2
TOTAL NUMBER OF PERSONNEL		2	4

5. SECURITY CLEARANCE OF BIDDERS

- 5.1. All relevant security clearance will be done to the appointed service provider prior to the awarding of this contract.
- 5.2. CMR will verify with National Treasury database whether the bidder is listed on the List of Restricted Suppliers and Register for Tender Defaulters.
- 5.3. CMR will verify with Private Security Industry Act whether the bidder is withdrawn from rendering security services due to failure to pay annual fees.
- 5.4. The Bidder must be registered on Central Supplier Database (CSD). In order to verify that the tax matters are in order, proof of registration (supplier registration number) must be submitted at the closing date and time, where consortium/joint venter/ sub-contractor are involved each party must submit a separate supplier registration number.

6. REQUIREMENTS

The following items should be supplied at the Service Provider's own expense

- 6.1. Uniform
- 6.2. Registers:
 - 6.2.1. Vehicle registers
 - 6.2.2. After hours and Weekend register.
 - 6.2.3. Occurrence Book
 - 6.2.4. Visitor registers
 - 6.2.5. Property registers

- 6.2. Security equipment to be used:
 - 6.2.1. Torches per security officer
 - 6.2.2. Baton stick and handcuffs per security officer
 - 6.2.3. Rain suits per security officer
 - 6.2.4. Fire arms
 - 6.2.5. Two way radios per security officer
 - 6.2.6. Metal detector
 - 6.2.7. Motor vehicles
 - 6.2.8. Quad bike
 - 6.2.9. Tracking device

7. SPECIFIC REQUIREMENTS

- 7.1. Security Officers must always have PSIRA ID card with them whilst on duty
- 7.2. No alcohol or Prohibited drugs to be used on duty or reporting on being under the influence
- 7.3. Security Officers must wear their full uniform when on duty
- 7.4. Security Officers must always be clean and neat when reporting for duty
- 7.5. Security Officers must be on their post for the whole shift
- 7.6. Posts must not be left unattended
- 7.7. No private vehicle will be allowed to enter the Office unless permission granted by the Security Officers
- 7.8. All vehicles must be registered when leaving and entering the Office
- 7.9. CMR employees must produce their ID cards when entering the premises
- 7.10. CMR clients and visitors must produce ID books for identification and sign in the visitors register
- 7.11. All vehicles must be searched
- 7.12. The Gate must be closed at all times
- 7.13. Hour patrols to be done and recorded in an O.B and check point patrol recorded printout must be made available to CMR Management
- 7.14. The entire vehicles parked in the premises during the night must be checked e.g. whether locked or not, window closed, spare wheels
- 7.15. Anything unusual situation must be reported immediately to Security Administrator
- 7.16. CMR movable assets should not be removed without proper authorization
- 7.17. The Security Service Provider should visit security Officers regularly
- 7.18. Only companies having security basic equipment as per specification shall be considered for rendering services
- 7.19. Security companies must comply with the Firearms Control Act (ACT 60 OF 2000) to qualify to render services in the CMR
- 7.20. The bidder must have a well-established and equipped 24 hour security control room (control room to be inspected by CMR officials before the bid is awarded)

- 7.21. The bidder must have an operational / project manager immediately available on a 24 hour basis to react in the event of emergencies
- 7.22. Security officers supplied by the bidder must at least be paid the minimum wage according to the PSIRA Wage Determination Act. CMR will have no responsibility for wage negotiation of contract security officers.

8. MANDATORY BID REQUIREMENTS

The submitted proposals will be evaluated based on compliance to and submission of the following documentation and/or registration in terms of all relevant legal institutions from each bidder or member of a consortium.

Failure to comply will result in the disqualification of bidder's proposal prior to conducting functional evaluation. Proof of registration, with all the under-mentioned relevant Legal Institutions/Authorities must be attached

DESCRIPTION	DO YOU COMPLY? (YES or NO)	COMMENT OR REFERENCE TO PROPOSAL
Valid Private Security Industry Regulatory Authority (PSIRA) certificate in the name of the company		
Recent letter of good standing not older than six (6) months from PSIRA in the name of the company		
All Members and Directors of the company are registered with PSIRA as Grade A/B		
Valid letter of good standing from Workman's Compensation Commissioner in the name of the company		
Valid Unemployment Insurance Fund (UIF) registration certificate in the name of the company		
Fire arm licenses in the name of the company		
Guard patrol monitoring system (Tracking system)		
Proof of public liability insurance		
Proof of registration on the Central Supplier Database (CSD)		

9. EVALUATION OF BIDS

Bid proposals will be evaluated in accordance with the 80/20 preference point system as contemplated in the Preferential Procurement Regulations of 2011, and all bid offers received shall be evaluated based on the following criteria:

Preference points for this bid shall be awarded for:

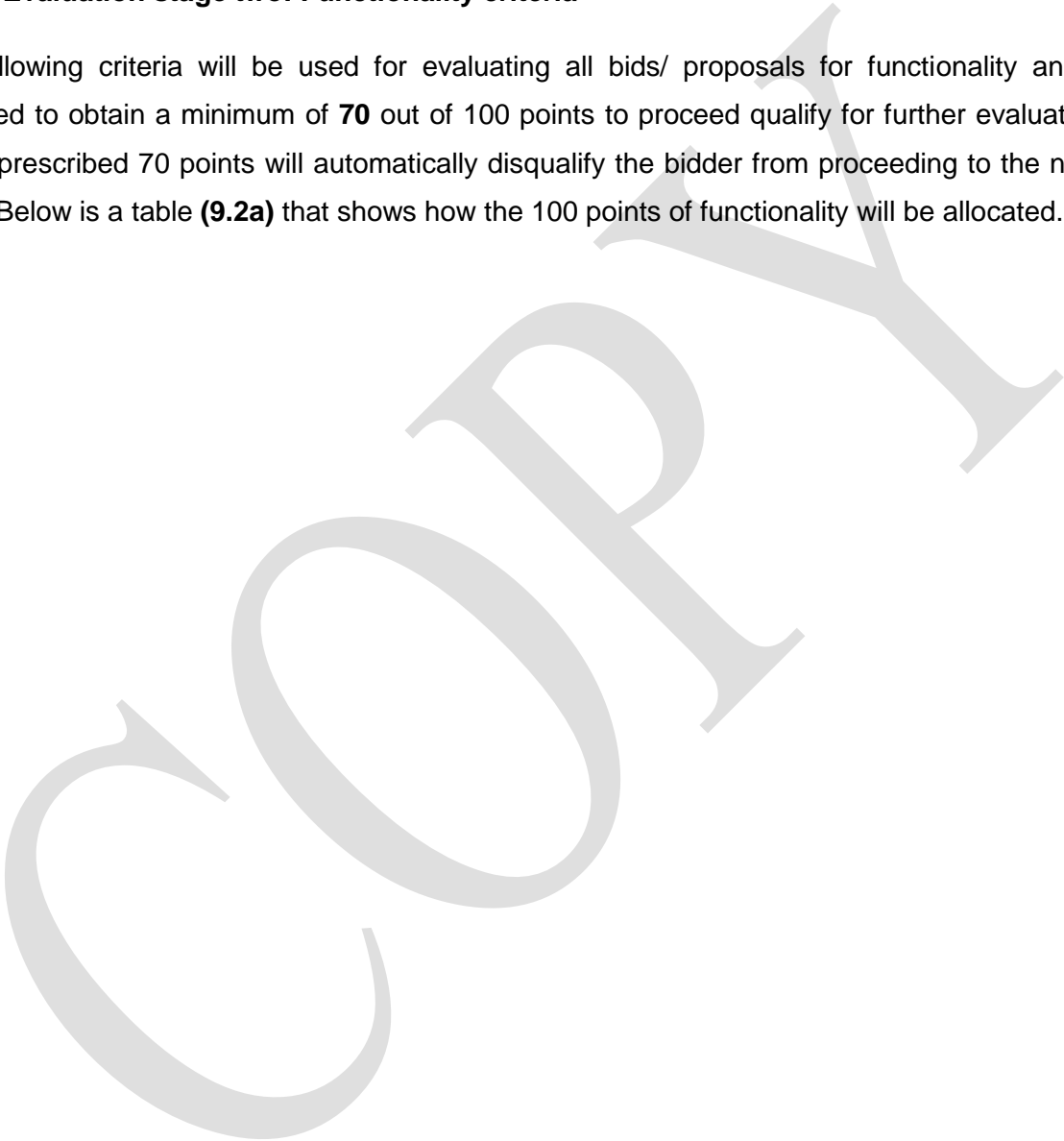
- a. Functionality 100
- b. Price 80

9.1. Evaluation Stage one: Pre-qualification

Compliance with the mandatory functional requirements as listed on section 8. In this evaluation stage, all bidders that fail to provide the required information and documentation will be disqualified from further evaluation.

9.2. Evaluation stage two: Functionality criteria

The following criteria will be used for evaluating all bids/ proposals for functionality and bidders are expected to obtain a minimum of **70** out of 100 points to proceed qualify for further evaluation. Failure to obtain prescribed 70 points will automatically disqualify the bidder from proceeding to the next evaluation stage. Below is a table **(9.2a)** that shows how the 100 points of functionality will be allocated.



9.2a FUNCTIONALITY CRITERIA

Pre-qualification functionality evaluation criteria

FUNCTIONALITY CRITERIA	MEANS OF VERIFICATION	POINTS	MAXIMUM POINTS TO BE AWARDED
Capability			40 points
<ul style="list-style-type: none"> Company experience in security industry and track record 	Reference letters with contact details	20 points	
<ul style="list-style-type: none"> Experience of key management personnel 	CVs	20 points	
Capacity to deliver			40 points
<ul style="list-style-type: none"> Staff compliment 	Letter of good standing with PSIRA	15 points	
<ul style="list-style-type: none"> Capital 	SARS IT14	10 points	
<ul style="list-style-type: none"> Insurance cover and indemnity 	Proof of insurance	5 points	
<ul style="list-style-type: none"> Accessibility 	Operational offices with landline, fax or email	10 points	
Working tools/ equipment			20 points
<ul style="list-style-type: none"> Vehicles 	Proof of ownership in the name of the company or lease agreement	5 points	
<ul style="list-style-type: none"> Fire arms 	Proof of ownership in the name of the company or lease agreement	5 points	
<ul style="list-style-type: none"> Communication system 	Proof of ownership in the name of the company or lease agreement	5 points	
<ul style="list-style-type: none"> Tracking system 	Proof of ownership in the name of the company or lease agreement	5 points	
TOTAL			100

9.3. Evaluation stage three: Price and BBBEE

Only qualifying bids that met the minimum functionality criteria **(70)** will be evaluated for price and BBBEE applying the 80/20 preference points system in accordance with the PPPFA Regulations of 2011, as follows:

Preference point Criteria	Points allocation
Price	80
BBBEE	20
Total	100

10. PROPOSAL REPOSSES

The format of the bid proposals to be submitted shall comprise **cover letter** and the following documents:

- 10.1. Returnable bid document with all the required documents fully completed and signed;
- 10.2. Original and Valid Tax Clearance Certificate;
- 10.3. SARS IT14 document
- 10.4. Detailed cost breakdown schedule (quotation);
- 10.5. Reference letters with contact details on a company letter head and/or stamped;
- 10.6. Original receipt as proof of purchase of bid document
- 10.7. Entity/ Company registration documents;
- 10.8. Entity/ company profile (Company profile);
- 10.9. Certified copy of ID documents of all owners/directors of the Entity (certification should not be more than 3 months old);
- 10.10. Letter of good standing from PSIRA;
- 10.11. PSIRA registration for the company;
- 10.12. PSIRA Grade A/B registration for all the Directors/owners of Private and Public Companies, all partnership, all trustees of a trust, all members of CC & Sole Proprietor;
- 10.13. Proof of public liability insurance for the bid will be required as a condition for contracting;
- 10.14. Certified copy of valid good standing with Workman Compensation Fund;
- 10.15. Certified copy of valid UIF registration;
- 10.16. BBBEE certificate or sworn affidavit for an Exempted Micro Enterprise (EME)

11. PRICING STRUCTURE

- 11.1. Prices must be quoted in South African currency and must be inclusive of VAT;
- 11.2. The price must be fixed for the duration of the contract.
- 11.3. The onus / responsibility lies with the bidder to ensure that they have taken all the costs and escalations into consideration when compiling bid prices.
- 11.4. All costs should be reflected in a detailed quotation as per pricing structure on table (11.a)

11.a Pricing Structure

DECIPTION	PERSONNEL REQUIRED		TOTAL NUMBER OF GUARDS	PRICE PER GUARD	TOTAL (Total number of guards X price per guard)
	DAY SHIFT	NIGHT SHIFT			
Grade D Armed	2	2	4		
Grade D Unarmed	-	2	2		
Subtotal excluding VAT					
14% VAT					
Total per month including VAT					
Total over 12 months incl VAT					

12. SPECIAL CONDITIONS

- 12.1. CMR reserves the right to appoint the bidder that proves to be fully capable and qualified to handle and execute the job.
- 12.2. Bids submitted must be in line with the detailed specification. Failure to bid accordingly will automatically disqualify the submitted bid.
- 12.3. CMR reserves the right to cancel or withdraw this bid if:
- 12.3.1. Due to changed circumstances, there is no longer a need for this services; or
- 12.3.2. Funds are no longer available to cover the total envisaged expenditure; or
- 12.3.3. No acceptable bids are received.
- 12.4. Preferential consideration will be given to bidders that are legal entities. In the case of sub-contracting or joint venture agreement, CMR will enter into a single contract with the principal bidder.

- 12.5. CMR reserves the right to call interviews with short-listed bidders before final selection.
- 12.6. CMR reserves the right to do a surprise visit.
- 12.7. CMR reserves the right to request payslips and proof of payment in order to assess compliance in terms of PSIRA Wage Determination Act.
- 12.8. Bidders who are not registered on CSD must register before submission of bids.
- 12.9. Any completion of the bid document in pencil or erasable ink will not be acceptable and will automatically disqualify the submitted bid.
- 12.10. Successful bidder will be required to sign Service Level Agreement (SLA).
- 12.11. Notwithstanding shortcomings and/or inconsistencies, if any, in this specification, which is only a minimum specification, a bidder shall make provision for a complete solution that will deliver the required service efficiently and cost-effectively.
- 12.12. Bid documents should be deposited in the tender box situated at the premises of LEDA at Development House, 1 Main Street, and Lebowakgomo before or on **16 September 2016** which is the closing date for this bid.
- 12.13. All bids to be submitted **MUST** be sealed and bear the official bid number as well as the title of this request for bids on the outside.
- 12.14. This request for bids document contains confidential information about CMR which has been provided to supply potential bidders with the data necessary to provide a holistic response.
- 12.15. No part of the contents may be used, copied, disclosed or conveyed in whole or in part to any party, in any manner whatsoever without the prior written permission of CMR.
- 12.16. Any reproduction or transmission of information contained in this document except for the sole purpose of responding to this bid is strictly prohibited.
- 12.17. References to CMR must not be made in any literature, promotional material, and brochures or sales presentations without the express written consent of CMR.

13. COMPULSORY BRIEFING SESSION

A Compulsory Briefing Session will be held as follows:

Date	: 02 September 2016
Time	: 11h00 – 12h00
Venue	: Fumani Gold Mine in Mtititi Village

NB: Failure to attend will result in disqualification.

- 13.1. Any bidder wishing to bid must attend the briefing session in person or send a representative.
- 13.2. For bids from a Consortium or Joint Venture, a representative of at least one of the organizations must attend the briefing session.
- 13.3. Bids from individuals, organizations or consortia of organizations that did not attend the **compulsory briefing session** will not be considered.

14. CLARIFICATION / QUERIES

- 14.1. The process of clarification required by a bidder regarding the meaning or interpretation of the specification or any other aspects concerning the bid will be done in writing (letter, facsimile or e-mail).
- 14.2. Telephonic requests for clarification will not be considered.
- 14.3. The cut-off date for queries is 12 September 2016 at 16:00 pm
- 14.4. The bid reference number should be quoted in all correspondence.
- 14.5. The contact persons are as follows:

Administrative Enquiries : Ms Tlou Nkhumishe
E-mail : tlou.nkhumishe@lieda.co.za

OR

Technical enquiries : Mr Robert Malatji
E-mail : Robert.malatji@lieda.co.za

13.6 Queries received will be responded to within three working days of receiving them.

Proposals and supporting documentation must be placed in the Tender Box in a sealed envelope clearly marked “APPOINTMENT OF A SERVICE PROVIDER TO RENDER SECURITY SERVICES AT FUMANI GOLD MINE FOR A PERIOD OF TWELVE (12) MONTHS
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Street Address: Limpopo Economic Development Agency
Enterprise Development House
Main Road, Lebowakgomo
0739