



**TENDER NUMBER: TIA003/2019**

**REQUEST FOR PROPOSAL: TO PERFORM AN OUTCOME AND IMPLEMENTATION  
EVALUATION OF THE RURAL INNOVATION ASSESSMENT TOOLBOX**

**83 LOIS AVENUE, MENLYN, PRETORIA**

**COMPANY REPRESENTATIVE**

**CONTACT DETAILS:**

---

---

**Issue Date:**

**19 July 2019**

**Validity Period:**

**90 Days (after closing date)**

**Response Deadline:**

**12 August 2019 at 11h00**

**Contact Person:**

**Mandisa Pitso**

**E-mail Address:**

**[mandisa.pitso@tia.org.za](mailto:mandisa.pitso@tia.org.za)**

**Mandatory Briefing Session:**

**25 July 2019 at 11:00**

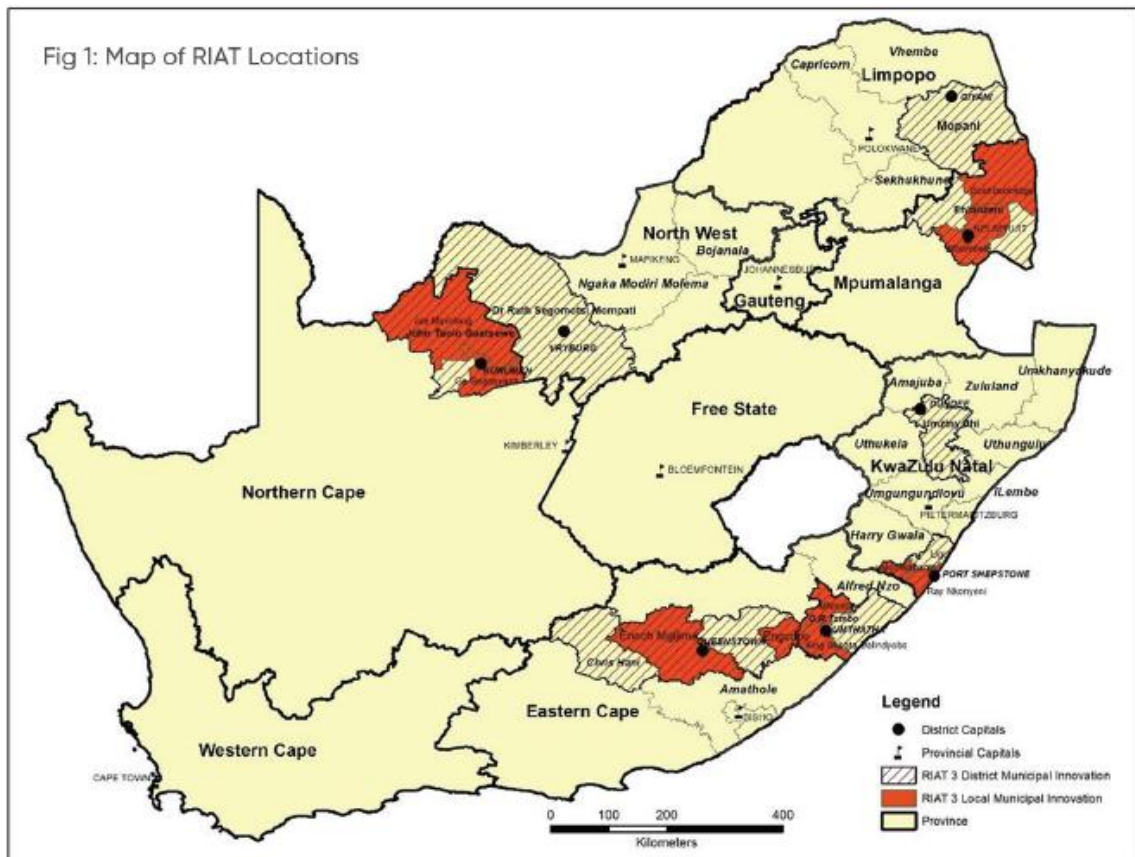
## 1. Introduction and Background

The Technology Innovation Agency (TIA) is a schedule 3A public entity of the Department of Science and Technology (DST) established in terms of the TIA Act (Act No. 26 of 2008) with the objective to stimulate and intensify innovation to improve economic growth and the quality of life of all South Africans.

The Innovation for Inclusive Development (IID) unit within the DST seeks to contribute towards inclusive development through strengthening local systems of innovation and production that can support the creation of sustainable employment creation, wealth creation and elimination of poverty. The DST contracted TIA to establish and incubate a Project Management Unit (PMU) to implement specific projects of the DST's IID Programme.

The DST, in partnership with the national Department of Cooperative Governance, developed the "*Revised National Framework for Local Economic Development: Creating Innovation-driven Local Economies, 2018-2028*". It has specific objective to develop innovative and inclusive competitive local economies to fight poverty, inequality, unemployment and enhancing the quality of life of all. A core pillar of the revised LED Framework is to strengthen local innovation systems.

The DST and the Human Science Research Council (HSRC) developed the Rural Innovation Assessment Toolbox (RIAT) to assess local innovation systems in municipalities in order to inform policy and strategy development at local level. The development and implementation of RIAT have taken place in three distinct phases from 2012 to 2018. Phase 1 of RIAT took place in 2012 and focused on conceptualising and designing fit-for-purpose and user-friendly tools for local innovation assessments. During Phase 2 (2013-2014), the RIAT was piloted in 2 rural district municipalities which led to further refinements and improvements to the RIAT. The main purpose of Phase 3 (2015-2018) was to embed and institutionalise the RIAT for the measurement and improvement of local innovation processes in rural municipalities. During Phase 3, RIAT was implemented in 16 local municipalities considered to be resource-poor and in socio-economic distress:



Province	District Municipality	Core Local Municipality	Periphery Local Municipality
Eastern Cape	OR Tambo	King Sabata Dalinyebo	Mhlonto
	Chris Hani	Enoch Mgijima	Engcobo
KwaZulu-Natal	UMzinyathi	Endumeni	Nquthu
	Ugu	Ray Nkonyeni	Umuziwantu
North West	Dr Ruth S Mompoti	Naledi	Lekwa-Teemane
Limpopo	Mopani	Greater Tzaneen	Greater Giyani
Mpumalanga	Ehlanzeni	Mbombela	Bushbuckridge

Local universities were key strategic stakeholders throughout the RIAT Project. During phases 1 and 2, these universities were extensively consulted in the conceptual development, design and methodology of the RIAT. During Phase 3, universities became directly involved in implementation, with suitably qualified academics at these universities contracted for the institutionalisation of RIAT in local municipalities. Phase 3 used a blend of participatory, facilitation and observation methods with key informant interviews and rural enterprise surveys, which was done by partnering academics.

The institutionalisation of RIAT was conceived as a means to foster innovation driven local economic and social development. In effect, it also served to reinvigorate or provide a platform for the take-off and scaling up of self-sustaining local innovation hubs, forums, networks and communities.

TIA is inviting evaluation specialists to submit proposals to undertake an independent Outcome and Implementation Evaluation of the RIAT, particularly the implementation and institutionalisation of RIAT in Phase 3.

## **2. Scope of Work**

### **2.1. Project Purpose:**

TIA, together with the DST, require an Outcome and Implementation Evaluation of the Rural Innovation Assessment Toolbox (RIAT), particularly the implementation and institutionalisation of RIAT in Phase 3. The evaluation must be independent from those responsible for the design and implementation of the RIAT. This evaluation will inform the best strategy for ongoing roll out of RIAT within other municipalities in South Africa.

### **2.2. Project Goals and Objectives:**

The overall goals of the evaluation of the RIAT are to:

- i. Determine the extent to which the RIAT phase 3 was successful in achieving the expected outcomes, as well as identifying unexpected outcomes;
- ii. Examine the implementation process to understand how the RIAT is working and how it can be strengthened;
- iii. Provide information about the value of the tools and implementation processes, its replicability in other municipalities, and its future sustainable usage by municipalities, universities, and others;
- iv. Serve as a basis for improved decision-making, strategic positioning, programming and policy making with regards to rural innovation.

The outcome and implementation evaluation of the RIAT have the following specific objectives:

- i. Determine and assess the extent of institutionalisation of RIAT in the targeted municipalities;
- ii. Assess the adoption of the RIAT by municipalities and universities; as well as other local agents that did not form part of the implementation of RIAT;
- iii. Evaluate the implementation process of RIAT in terms of its efficacy, efficiency, successes and shortcomings, in achieving the outcomes;
- iv. Evaluate RIAT's effectiveness, efficacy, and relevance towards innovation in the targeted municipalities;
- v. Provide recommendations towards improvements of the RIAT and its future implementation by local actors.

### 2.3. Focus, Approach and Methodology

This evaluation should take a broad view of the RIAT implementation phase, taking into account the manner in which the RIAT was implemented, both intended and unintended outcomes, and the extent that results can be attributed to implementation of the RIAT. The evaluation should focus on the following three key aspects of the RIAT that is of importance to increase and strengthen rural innovation throughout South Africa:

- i. The tools within the RIAT developed to date and implemented during Phase 1 to Phase 3, notably:
  - The enterprise innovation assessment survey and concurrent snowball sampling methodology which sampled of approximately 80-100 local innovative enterprises in each local municipality
  - The Participatory, Experiential Reflective Learning (PERL) workshops which provided qualitative input into and understanding of innovation in local areas, and
  - The potential High Impact Local Innovation Catalysts (pHILIC) that was identified for each local municipality.
- ii. The implementation process to date of the RIAT, including amongst others:
  - The management and administrative systems used,
  - The methodologies and approaches used to implement the various tools of RIAT, and
  - The processes and procedures adopted, including but not limited to the use of local universities as implementing agents of the RIAT in local municipalities.

- iii. The Institutionalisation of RIAT in:
- Local and district municipalities, as the facilitators and coordinators responsible for local economic development; and
  - Partnering local universities which assisted with the implementation of the RIAT.

The proposal should clearly state the evaluation methodology and approach that will be followed. It should also state the proposed research tools and validation methods to be used, amongst others. This should be in line with accepted best practices to ensure the credibility of the evaluation process and results.

#### 2.4. Project Deliverables

It is expected that the proposal will include a detailed list of key project deliverables and milestones. This list should include, amongst others, the following:

- Inception report that includes agreed methodology, detailed project plan, risk register, stakeholder engagement plan, etc.
- Summary/Baseline report on the implementation of RIAT to date that provides sufficient context and description of the project on which to base the evaluation including the original theory of change.
- Detailed and thorough evaluation report on the outcome and implementation of RIAT with detailed findings, analysis, conclusions and recommendations

#### 2.5. Progress Monitoring

Regular report back meetings will be held with the service provider to determine delivery of the specific Scope of Work, in respect to time, budget and deliverables. The service provider may be requested to provide electronic progress reports.

#### 2.6. Project Timeframe

It is expected that this project should take no longer than **8 months** to complete.

**\*Note:** TIA reserves the right to change the above timescales with due notification to the appointed service provider.

**3. Mandatory Requirements of the Proposal**

The service provider is required to submit the following mandatory documentation:

- a) Compliant **Tax Status** on the Central Supplier Database (CSD) report.
- b) **Proof of registration** on National Treasury’s Central Supplier Database (CSD).
- c) Duly completed and signed tender documents attachments **SBD1; SBD4; SBD6.1; SBD8 and SBD9**.
- d) Submission of four copies of the Proposal (including original).
- e) **Evidence** of previous projects of similar nature completed, either in the private or public sector. Reference letters as well as examples of such work undertaken (it is suggested that the indexes of such study reports be provided as proof) should be submitted together with contactable references. All evidence must not be older than June 2014;
- f) In order to understand the capacity of the service provider, it must submit a **list** of its **nominated dedicated staff** who will work on this project, their positions/roles in the project team, with detailed CVs stating their respective years of experience and with certified copies of their academic qualifications for each team member attached in the following format:

Project Position	Name of Team Member	Expertise	Years of Experience	Qualifications	Gender (M/F)	Age

- g) Total **all-inclusive cost** (VAT inclusive) of the Outcome and Implementation Evaluation of the RIAT must be provided.

**This should be accompanied by:**

- *detailed budget stating separately the labour / professional costs*
- *disbursements, including the underlying cost basis thereof, for each project deliverable.*

Price (Incl. VAT)	
-------------------	--

**Note:**

- (i) Service providers intending to submit a bid must be aware that if any of the abovementioned mandatory documentary requirements are not met, **the bid will be disqualified summarily.**
- (ii) This tender, when awarded, will be followed by a **Service Level Agreement (SLA)** with the successful bidder and will contain all the scope of work, work plan, all other required terms and conditions, as well as the standard set of National Treasury's General Conditions of Contract (GCC) as contained herein (see par 5 below).

**4. GENERAL TERMS AND CONDITIONS**

- 4.1. The Respondent is responsible for all costs incurred in the preparation and submission of the proposal.
- 4.2. A copy/s of any affiliations, memberships and/or accreditations that support your submission must be included in the proposal.
- 4.3. Kindly note that TIA is entitled to:
  - 4.3.1. Amend any RFP conditions, validity period, specifications, or extend the closing date and/or time of RFP's before the closing date. All Respondents, to whom the RFP documents have been issued, will be advised in writing of such amendments in good time;
  - 4.3.2. Verify any information contained in a proposal;
  - 4.3.3. Not appoint any bidder;
  - 4.3.4. Vary, alter, and/or amend the terms of this RFP, at any time prior to the finalisation of its adjudication hereof;
  - 4.3.5. Disqualify proposals that contain an omission of disclosure of material information, that is factual inaccurate, and/or contains a misrepresentation of facts. This could also lead to the cancellation of any subsequent contracts;
  - 4.3.6. Not accept the lowest proposal or any proposal in part or in whole. TIA normally awards the contract to the Bidder who proves to be fully capable of handling the contract and whose proposal is technically acceptable and/or financially advantageous to TIA.



Appointment as a successful contractor shall be subject to the parties agreeing to mutually acceptable contractual terms and conditions. In the event of the parties failing to reach such agreement within 30 (thirty) days from the appointment date, TIA shall be entitled to appoint the contractor who was rated 2nd (second), and so on;

- 4.3.7. Award this RFP as a whole or in part without furnishing reasons;
- 4.3.8. Cancel or withdraw from this RFP as a whole or in part without furnishing reasons and without attracting any liability;
- 4.3.9. The Bidder hereby offers to render all the services described in the attached documents (if any) to TIA on the terms and conditions and in accordance with the specifications stipulated in this RFP document (and which shall be taken as part of, and incorporated into, this proposal at the prices inserted therein);
- 4.3.10. This proposal and its acceptance shall be subject to the terms and conditions contained in this RFP document; and
- 4.3.11. The Respondent shall prepare for a possible presentation should TIA require such and the Respondent shall be notified thereof no later than 4 (four) days before the actual presentation date.

**5. Evaluation criteria**

5.1. Proposals will be evaluated using the 80/20 preference points. The first stage evaluation will consist of two steps. First step will be the evaluation of the written proposals. Bidders whose proposals pass this evaluation will be invited to present their proposals to the evaluation team, the second step. Only the proposals that passed both the first and second step of the First Stage evaluation will proceed towards Second stage evaluation.

**5.2. First Stage evaluation criteria**

**5.2.1. First Stage – Step 1: Evaluation of Written Proposals**

Evaluation Criteria	Method of Scoring	Weight	Maximum Score
<b>1. Assessment of the proposal and work plan</b>		<b>0.7</b>	
a. Clarity of the proposal showing independent understanding of the RIAT, the project scope, and the	5: Very good proposal showing independent understanding of the scope of the project objectives & approach of RIAT & evaluation brief  4: Good proposal showing some independent understanding of the scope		5

Evaluation Criteria	Method of Scoring	Weight	Maximum Score
<p>project goals and objectives</p>	<p>of the project objectives &amp; approach of RIAT &amp; evaluation brief</p> <p>3: Average proposal showing limited independent understanding of the scope of the project objectives &amp; approach of RIAT &amp; evaluation brief</p> <p>2: Poor proposal showing limited independent understanding of the scope of the project objectives &amp; approach of RIAT &amp; evaluation brief</p> <p>1: Very poor proposal showing no understanding of the scope of the project objectives &amp; approach of RIAT &amp; evaluation brief</p>		
<p>b. Quality and logic of the work plan in terms of</p> <ul style="list-style-type: none"> <li>• Detail and clarity of tasks</li> <li>• Logical sequencing of tasks</li> <li>• Funding &amp; resource allocation per task</li> <li>• Reasonableness of task timelines</li> <li>• Clarity &amp; measurability of outputs</li> <li>• Project timelines</li> </ul>	<p>3: Work plan is good <i>(very detailed tasks are clear &amp; logical, resources allocated per task, reasonable timelines, outputs for tasks specified and measurable/verifiable, with appropriate project timelines)</i></p> <p>2: Work plan is average/adequate <i>(tasks specified but not sufficiently detailed, outputs specified but only partially measurable, resources inadequately specified, project timelines only adequate)</i></p> <p>1: Work plan is poor and incoherent <i>(tasks are not detailed nor logical, resource allocation not clear, timelines unreasonable, outputs are not measurable, project timelines inadequate)</i></p>		3
<p>c. Evaluation methodology, methods and tools are clearly specified and appropriate, including, but not limited to, sampling approach, data collection tools and methods, analysis methods, verification</p>	<p>3: Evaluation methodology, tools and methods are clearly specified and appropriate for the project</p> <p>2: Evaluation methodology, tools and methods are specified but not optimal for the project</p> <p>1: Evaluation methodology, tools and methods are not specified, inadequate and inappropriate for project</p>		3

Evaluation Criteria	Method of Scoring	Weight	Maximum Score
and validation of results.			
d. Risk management plan that identifies risks specific to the evaluation of the RIAT and related mitigation responses	<p>3: Risk management plan is good <i>(very detailed risk specified &amp; related to the evaluation of the RIAT project with clear &amp; logical mitigation responses)</i></p> <p>2: Risk management plan is average/adequate <i>(risks specified but not sufficiently related to the evaluation of the RIAT project with adequate mitigation responses)</i></p> <p>1: Risk management plan is poor and incoherent <i>(risks poorly specified and unrelated to the evaluation of the RIAT project with poor mitigation responses)</i></p>		3
<b>2. Previous projects of similar nature undertaken in past 5 years.</b> <i>(As per 3(e) above, examples of previous work and reference letters to be submitted with name, designation and contact details of project manager/client which will be verified by TIA.)</i>		0.15	
a. Reference 1: <i>[insert project name]</i>	<p>Scoring per reference:</p> <p>4: Very similar project within South Africa <i>(specific aim of project was evaluation assessment of project in SA)</i></p> <p>3: Very similar project but outside South Africa <i>(specific aim of project was evaluation assessment of project outside SA)</i></p>		4
b. Reference 2: <i>[insert project name]</i>	<p>2: Somewhat similar project within South Africa <i>(project has evaluation assessment component but evaluation was not focus of project).</i></p>		4
c. Reference 3: <i>[insert project name]</i>	<p>1: Somewhat similar project but outside South Africa <i>(project has evaluation assessment component but evaluation was not focus of project).</i></p> <p>0: Not similar project. <i>(there was no evaluation assessment done in the project)</i></p>		4
<b>3. Team Capability and Composition</b> <i>(Detailed CVs stating their respective years of experience and with certified copies of their academic qualifications for each team member to be attached)</i>		0.15	

Evaluation Criteria	Method of Scoring	Weight	Maximum Score
a. Number of nominated staff resources dedicated to the project and their education qualifications	5: At least 2 persons with Masters/PhD & 3 others with Bachelors degrees 4: At least 1 person with Masters/PHD, 3 others with Bachelors degrees 3: At least 1 person with Masters/PHD, 2 others with Bachelors degrees 2: No post graduate degrees, min of 2 with Bachelors degrees 1: No post graduate degree. Only 1 person with Bachelors degree 0: No university degrees in project team		5
b. Collective practical work experience (excl. academic study periods) of the dedicated project team (based on the CVs provided)	5: Average team experience 15+ years 4: Average team experience 10 - 15 years 3: Average team experience 7 - 10 years 2: Average team experience 4 - 7 years 1: Average team experience < 4 years		5
c. Capability of the project leader to effectively manage the project	3: More than 10 years' experience in project management 2: Between 5-10 years' experience in project management 1: Less than 5 years' experience in project management		3
d. Overall gender profile of project team to promote women empowerment	5: More than 80% of project team are female & more than 50% of management team are female 4: More 61% of team are female and more than 50% of management team are female 3: 41% - 60% of project team are female 2: 20% - 40% of project team are female 1: Less than 20% of project team are female		5
e. Percentage Youth (35 years or younger) in project team to promote skills transfer to next generation	5: More than 80% of team are Youth 4: 61% - 80% of team are Youth 3: 41% - 60% of team are Youth 2: 20% - 40% of team are Youth 1: Less than 20% of team are Youth		5
<b>Minimum Qualifying Score</b>		<b>70%</b>	

### 5.2.2. First Stage – Step 2: Evaluation of Oral Presentations

<b>Evaluation Criteria</b>	<b>Method of Scoring</b>	<b>Weight</b>	<b>Maximum Score</b>
Clarity of the proposal and presentation in understanding the RIAT and the evaluation brief	5: Showed exceptional understanding of RIAT & evaluation brief 4: Showed good understanding of RIAT & evaluation brief 3: Showed average understanding of RIAT & evaluation brief 2: Showed poor understanding of RIAT & evaluation brief 1: Showed very limited understanding of RIAT & evaluation brief	<b>0.3</b>	<b>5</b>
Appropriateness of proposal to ensure achieving study objectives in light of complexities, risks and dynamics at local level	3: Good proposal <i>(demonstrates very good understanding of local dynamics and complexities, with appropriate risk mitigation actions specified)</i> 2: Average proposal <i>(demonstrates partial understanding of local dynamics and complexities with risk mitigation response only adequate)</i> 1: Poor proposal <i>(demonstrates poor understanding of local dynamics and complexities with no risk mitigation response.)</i>	<b>0.3</b>	<b>3</b>
Feasibility and innovativeness of the proposed work plan and methodology	3: Work plan is good <i>(very detailed, tasks are clear &amp; logical, resources allocated per task, reasonable timelines, approach quite innovative, outputs for tasks specified and measurable)</i> 2: Work plan is average/adequate <i>(tasks specified but not sufficiently detailed, outputs specified but only partially measurable, limited innovation in approach resources inadequately specified)</i> 1: Work plan is poor and incoherent <i>(tasks are not detailed nor logical, resource allocation not clear, timelines unreasonable, outputs are not measurable, no innovation in approach)</i>	<b>0.1</b>	<b>3</b>
Appropriateness and usefulness (value-adding) of the specified evaluation methodology and	5: Tools and methodology very appropriate and will add-value to study objectives 4: Tools and methodology appropriate and should add-value to study objectives	<b>0.2</b>	<b>5</b>

<b>Evaluation Criteria</b>	<b>Method of Scoring</b>	<b>Weight</b>	<b>Maximum Score</b>
tools to be used in the study	3: Tools and methodology only adequate / average 2: Tools and methodology partly appropriate and unlikely to add value 1: Tools and methodology inappropriate and will not add value to study objectives		
Ability to communicate clearly and effectively	5: Exceptional communication skills 4: Above average communication skills 3: Adequate / average communication skills 2: Below average communication skills 1: Very poor communication skills	<b>0.1</b>	<b>5</b>
<b>Minimum Qualifying Score</b>		<b>70%</b>	

### 5.3. Second stage evaluation

<b>Adjudication categories</b>	<b>Points</b>
<b>1. Bid Price</b>	<b>80</b>
<b>2. Points awarded for B-BBEE Status Level</b>	<b>20</b>
<b>Total points</b>	<b>100</b>

## 6. Proprietary Information

TIA considers this Request for Proposal (RFP) and all related information, either written or verbal, which is provided to the Bidder, to be proprietary to TIA. It shall be kept confidential by the Bidder and its officers, employees, agents and representatives.

The Bidder shall not disclose, publish, or advertise this specification or related information in part or as a whole to any third party without the prior written consent of TIA. This applies regardless of whether the recipient of this RFP responds with a proposal or not and whether or not such a bidder will be appointed as the preferred service provider.

## 7. Enquiries & Responses

All communication and attempts to solicit information of any kind relating to this RFP should be channelled to [mandisa.pitso@tia.org.za](mailto:mandisa.pitso@tia.org.za).

## 8. Medium of Communication

All documentation submitted in response to this RFP must be in English.

## 9. Verification of Documents

Respondents should check the numbers of the pages to satisfy themselves that none is missing or duplicated. No liability will be accepted by TIA in regard to anything arising from the fact that pages are missing or duplicated.

## 10. Deadline for Submission

The proposal should be submitted by **11h00 on Monday, 12 August 2019** in a sealed envelope which must be clearly **marked RFP No. TIA003/2019**, addressed to:

**Technology Innovation Agency  
83 Lois Avenue  
Cnr Lois Avenue and Atterbury Road  
Menlyn, Pretoria  
Tel: (012) 472 2700**

It is the responsibility of the prospective supplier to ensure that the proposal is deposited at the above address no later than **11:00 on 12 August 2019**.

**Four copies of each proposal** (with all supporting documents) must be submitted, including the original. In the event of a contradiction between the submitted copies, the original shall take precedence. Telegraphic, telefax and e-mail proposals will not be accepted.

If a courier service company is being used for delivery of the proposal document, the RFP description must be endorsed on the delivery note/courier packaging to ensure that documents are delivered to the correct recipient, as mentioned above.

## 11. Important Notice in Relation to Paragraph 3:

Non-inclusion of any of the documents and information as listed in paragraph 3 of this tender will lead to an automatic disqualification.

## **12. Payment**

Payment will be effected within thirty (30) days after receipt of an invoice duly certified by the Head: SECR of TIA as follows:

- 40% when the Summary / Baseline Report had been submitted to and accepted by TIA.
- 40% when the draft Final Report has been submitted to and accepted by TIA
- 20% when the Final Report has been submitted to and accepted by TIA

## **13. Penalties**

A penalty of 1% of the contract value (excluding VAT) will be levied for every day the final report is delivered after the agreed completion date.

## **14. Conclusion**

14.1. Failure to comply with any of the terms and conditions as set out above will invalidate the Proposal.

14.2. TIA's decision on proposals received shall be final and binding.



## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:		CLOSING DATE:		CLOSING TIME:	
DESCRIPTION					
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON				CONTACT PERSON	
TELEPHONE NUMBER				TELEPHONE NUMBER	
FACSIMILE NUMBER				FACSIMILE NUMBER	
E-MAIL ADDRESS				E-MAIL ADDRESS	
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER		CODE		NUMBER	
CELLPHONE NUMBER					
FACSIMILE NUMBER		CODE		NUMBER	
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS		TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No: MAAA
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	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
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 THE QUESTIONNAIRE BELOW ]	
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
<b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.</b>					

**PART B**  
**TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b></p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p> <p>1.4. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b></p>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p> <p>2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."</p>

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER: .....

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

(Proof of authority must be submitted e.g. company resolution)

DATE: .....

## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, 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 a price quotation, advertised competitive bid, limited bid or proposal). 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. **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, shareholder<sup>2</sup>):

---

2.4 Company Registration Number:

---

2.5 Tax Reference Number:

---



---

<sup>1</sup> "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.

<sup>2</sup> "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.

2.6 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.

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

2.7.1 If yes, 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 **YES / NO** employment in the public sector?

2.7.2.1 If yes, did you attached proof of such authority to the bid document?  
*(Note: Failure to submit proof of such authority, where applicable, may **YES / NO** 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 yes, 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 yes, 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 yes, 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 whether or not they are bidding for this contract? **YES/NO**

2.11.1 If yes, furnish particulars:

---

---

---

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

Full Name	Identity Number	Personal Tax Reference Number	State Employee Number / PERSAL Number

**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 IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT 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 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 The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 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:

**1.3.1.1 POINTS**

**1.3.1.2 PRICE** .....

**1.3.1.3 B-BBEE STATUS LEVEL OF CONTRIBUTION** .....

**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 Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 “**bid**” means a written offer or proposal 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 “**SME**” 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:

**80/20 or 90/10**

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

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>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>	<b>Number of points (80/20 system)</b>
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:
  - 6.1.1 **B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1**
  - 6.1.2 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).

**7. SUB-CONTRACTING**

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

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

8.8 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-BBEE 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. Name:..... Signature:.....

2. Name:..... Signature:.....

**SIGNATURE(S) OF BIDDER(S)**

Name:..... Signature:.....

DATE:.....

**PHYSICAL 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.

In order to give effect to the above, the following questionnaire must be completed and submitted with the bid. Item Question = Yes or No with particulars

- 4.1 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?

Yes or No

- 4.1.1 If yes, furnish particulars:

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

(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 audi alteram partem rule was applied).

[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.]

- 4.2 Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?

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.

Yes or No

4.2.1 If yes, furnish particulars:

.....  
.....

4.3 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?

Yes or No

4.3.1 If yes, furnish particulars:

.....  
.....

4.4 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?

Yes or No

4.4.1 If yes, furnish particulars:

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

**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 bids<sup>1</sup> invited.
2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *per 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:

---

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

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



**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: \_\_\_\_\_ t  
(Name of Bidder)

that:

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

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

---

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