



GREATER
KOKSTAD
MUNICIPALITY
PROVINCE OF KWAZULU-NATAL

INVITATION FOR QUOTATIONS

PUBLIC NOTICE

SUPPLY AND DELIVERY OF UNIFORM FOR TRAINEE TRAFFIC OFFICERS

The Greater Kokstad Municipality invites reputable service providers for the Supply and delivery of uniform for trainee traffic officers.

Sealed envelopes marked " Provision of Uniform for Trainee Traffic Officers" must be deposited in the Bid Box marked "QUOTATIONS", located at the Reception Area, 75 Hope Street Kokstad no later than **23 NOVEMBER 2018 at 11h00.**

The 80/20 preferential point system will be applied to evaluate quotations, where 80 points will be allocated for price and 20 points for B-BBEE Status. Bidders must submit a certified copy of their BBBEE certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS, Registered Auditor or sworn affidavit to claim preference points. **Failure to submit the BBBEE Certificate will result in forfeiting the points.**

Bidders must submit the requested documents as stipulated in the quotation document, The quotation document **can be** collected from the SCM offices or be downloaded on the municipal website, during normal working hours between 08H00 – 15H00 as from **16 NOVEMBER 2018**

Service Providers must be registered on Central Supplier Database before submitting quotations. Forms are available from the website www.kokstad.gov.za and from the SCM Unit Office.

Technical Queries : Mr S Mtshengu Tel: 039 797 6652
Supply Chain Management Enquiries: Mrs N Julius 039 797 6600

Greater Kokstad Municipality does not bind itself to accept the lowest or any bid and reserves the right to accept the Bid in whole or part, at the rates quoted.

LH/Mapholoba
MUNICIPAL MANAGER

Quotation Date: **16** November 2018
Quotation No.: _____ 2018/2019



CONTRACT NO. GKM.....
SUPPLY AND DELIVERY OF TRAINEE TRAFFIC OFFICER
UNIFORM

QUOTE SUBMITTED BY:

Name of Company:
 Contact Person:
 Contact No.:
 Address:

Quote Amount (VAT incl.) R.....
 Rand Value in Words:.....

NOTE:

TENDER BOX	
CLOSING DATE AND TIME	
RECEPTION AREA	

Issued and prepared by:
 Greater Kokstad Municipality
 75 Hope Street
 P.O. Box 8
 Kokstad
 4700

Municipal Manager: Mr. L.H. Mapholoba
 Contact Person: Mr. S. Mtshengu
 Tel: 039 797 6652

PROJECT: PROVISION OF UNIFORM FOR TRAINEE TRAFFIC OFFICERS

SCOPE OF WORKS

The municipality is looking for service providers who will supply and deliver the following:

Delivery	Units	Description
	10	✓ 2 X Knitted Beanie with embroidered traffic star
	10	✓ 3 x Combat Trousers (Traffic Bronze)
	10	✓ 5 x Golf Shirts (Neon Top Half and Navy Bottom Half, With Name Embroided on Right Handside Chest Area and Traffic Star on Left Handside) following words printed on the back "By Law Enforcement"
	10	✓ 2 x Black Combat Boots
	10	✓ 2 x Traffic Bronze Woven Combat Belt
	10	✓ 2 x Traffic Bronze Combat Caps with Traffic Star embroidered on the front
	10	✓ 2 x Navy Jersey with Initial & Surname embroidered on right handside chest area and star embroidered on the left hand-side. Yellow tread must be used for initials and surname.
	10	✓ 2 x Reflective Jackets (Detachable long sleeves) Initial and Surname to be printed in reflective material on right hand-side chest area and traffic star on the left hand side of chest area.
	10	✓ 1 x Fleece Jacket (Neon top half and navy bottom half, must have initial and surname embroidered on the right hand-side chest area and traffic star on the left hand side chest area) Tread for initial and surname to be navy. Following words to be embroidered in white tread at the back "By Law Enforcement"
	10	✓ 2 x White pair of gloves
	10	✓ 1 x Brown leather handcuiff pouch
	10	✓ 1 x Set of handcuffs with keys
	10	✓ 1 x Pepper Spray pouch
	10	✓ 2 X Knitted Beanie with embroidered traffic star

Within 30 days after the receipt of an official Order from the municipality and must be delivered to Traffic Department



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To Supply and deliver of Trainee Traffic Officers Uniform for the Greater Kokstad Municipality Community Safety Department.

Delivery Period

The required Stationery is to be supplied within 30 days of receipt of an order from the municipality; failing to deliver within the stipulated period will result in the municipality cancelling the order.

Evaluation System.

The 80/20 preferential point system will be applied to evaluate quotations, where 80 points will be allocated for price and 20 points for B-BBEE Status. Bidders must submit a certified copy of their BBBEE certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS, Registered Auditor or sworn affidavit to claim preference points. **Failure to submit the BBBEE Certificate will result in forfeiting the points.**

The 80/20 system for requirements with a Rand value below R50 000 000.

The value of this bid is estimated to be below R50 000 000.00 and therefore the 80/20 system shall be applicable. Points for this bid shall be awarded for: Price and Preferential Procurement Framework Act

The points allocated for price will be calculated as follows:
 80/20 Preference point system [(for acquisition of services, works or goods with a Rand value below R50million) (all applicable taxes included).
 Where

$$P_s = 80 \left(1 - \frac{P_{min}}{P_{min}} \right)$$

Ps = Points scored for comparative price of bid or offer under consideration
 Pt = Comparative price of bid or offer under consideration
 Pmin = Comparative price of lowest acceptable bid or offer.

Points scored will be rounded off to the nearest 2 decimal places.
 Step 2: Calculation of points for B-BBEE status level of contributor
 Points will be awarded to a bidder for attaining the B-BBEE status level of Contribution in accordance with the table below:

- Tax PIN Printed by SARS for further verification.
- Company municipal rates, electricity or water account **not older than 3 Months**, proof of Residential lease or rental or sworn affidavit if the business operates at a place of residence.
- Completed and signed Municipal Bidding Document attached in the tender document (MBD 4, MBD 6.1, MBD 8 and MBD 9).
- Listed on the Central Supplier database.

Bidders must submit the following documents in order to be considered for this tender and omission of any of the documents will result in disqualification.

6.5 The points scored for price will be added to the points scored for B-BBEE Status level of contribution to obtain the bidder's total points scored out of 100.

6.4 A bid will not be disqualified from the bidding process if the bidder has not submit a certificate substantiating the B-BBEE status level of contribution or is a Non-compliant contributor but no BBEE point will be allocated to such bidder.

The points scored for price will be added to the points scored for B-BBEE Status level of contribution to obtain the bidder's total points scored out of 100.

6.4 A bidders will not be disqualified from the bidding process if they did not submit a certificate substantiating the B-BBEE status level of contribution nor is a Non-compliant contributor but no BBEE point will be allocated to such bidder. Bidders should submit an original or certified copy of BBEE certificate falling which; no point will be allocated to the bidder

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	16
4	12
5	08
6	06
7	04
8	02
Non-compliant contributor	00

OFFICE OF THE MUNICIPAL MANAGER

75 Hope Street
P.O. Box 8, Kokstad
Tel. +27 39 797 66 00
Fax. + 27 39 727 55 01
Email: info@kokstad.org.za
www.kokstad.org.za

GREATER
KOKSTAD
MUNICIPALITY



Annex D

Imported Content Declaration - Supporting Schedule to Annex C

Note: VAT to be excluded from all calculations

EUR 9.00 GBP 12.00

(D1) Tender No.
 (D2) Tender description:
 (D3) Designated Products:
 (D4) Tender Authority:
 (D5) Tendering Entity name:
 (D6) Tender Exchange Rate:

A. Exempted imported content

Tender Item no's	Description of imported content	Local supplier	Overseas Supplier	Foreign currency value as per Invoice	Tender Exchange Rate	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Tender Qty	Exempted imported value	Calculation of imported content	
												(D16)	(D17)
(D7)	(D8)	(D9)	(D10)	(D11)	(D12)	(D13)	(D14)	(D15)	(D16)	(D17)	(D18)	(D19)	(D20)

This total must correspond with Annex C-D1

(D19) Total exempt imported value

B. Imported directly by the Tenderer

Tender Item no's	Description of imported content	Unit of measure	Overseas Supplier	Foreign currency value as per Invoice	Tender Exchange Rate	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Tender Qty	Total imported value	Calculation of imported content	
												(D24)	(D25)
(D20)	(D21)	(D22)	(D23)	(D24)	(D25)	(D26)	(D27)	(D28)	(D29)	(D30)	(D31)	(D32)	(D33)

(D32) Total imported value by tenderer

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

Description of imported content	Unit of measure	Local supplier	Overseas Supplier	Foreign currency value as per Invoice	Tender Exchange Rate	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Quantity Imported	Total imported value	Calculation of imported content	
												(D36)	(D37)
(D33)	(D34)	(D35)	(D36)	(D37)	(D38)	(D39)	(D40)	(D41)	(D42)	(D43)	(D44)	(D45)	(D46)

(D45) Total imported value by 3rd party

D. Other foreign currency payments

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

Calculation of foreign currency payments

Signature of tenderer from Annex B

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

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

This total must correspond with Annex C-D2

Date:

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudging authority.

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

3.1 Full Name of bidder or his or her representative:

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, shareholder²):

3.4 Company Registration Number:

3.5 Tax Reference Number:

3.6 VAT Registration Number:

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

3.8 Are you presently in the service of the state?

3.8.1 If yes, furnish particulars.

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

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act

No. 1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

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

- 3.9 Have you been in the service of the state for the past twelve months? YES / NO
- 3.9.1 If yes, furnish particulars.....
- 3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO
- 3.10.1 If yes, furnish particulars.
- 3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? YES / NO
- 3.11.1 If yes, furnish particulars
- 3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? YES / NO
- 3.12.1 If yes, furnish particulars.
- 3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? YES / NO
- 3.13.1 If yes, furnish particulars.
- 3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. YES / NO
- 3.14.1 If yes, furnish particulars:

State Employee Number	Identity Number	Full Name

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

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

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

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

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all bids:
 - the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).
- 1.2 a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

Points for this bid shall be awarded for:

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

The maximum points for this bid are allocated as follows:

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

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contributor are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) "B-BBEE" means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

- (b) "B-BBEE status level of contributor" means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) "bid" means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) "Broad-Based Black Economic Empowerment Act" means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) "EME" means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) "functionality" means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) "prices" includes all applicable taxes less all unconditional discounts;
- (h) "proof of B-BBEE status level of contributor" means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) "QSE" means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) "rand value" means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3.

POINTS AWARDED FOR PRICE

THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

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

Where

- P_s = Points scored for price of bid under consideration
- P_t = Price of bid under consideration
- P_{\min} = Price of lowest acceptable bid

4.

POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

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

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

3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. **BID DECLARATION**
 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

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

6.1 B-BBEE Status Level of Contributor = (maximum of 10 or 20 points)
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

SUB-CONTRACTING

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

YES NO

(Tick applicable box)

7.1.1 If yes, indicate:

i) What percentage of the contract will be sub-contracted

ii) The name of the sub-contractor

iii) The B-BBEE status level of the sub-contractor

iv) Whether the sub-contractor is an EME or QSE

YES NO

(Tick applicable box)

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

<input type="checkbox"/>	<input type="checkbox"/>	Designated Group: An EME or QSE which is at least 51% owned by:
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Black people
<input type="checkbox"/>	<input type="checkbox"/>	Black people who are youth
<input type="checkbox"/>	<input type="checkbox"/>	Black people who are women
<input type="checkbox"/>	<input type="checkbox"/>	Black people with disabilities
<input type="checkbox"/>	<input type="checkbox"/>	Black people living in rural or underdeveloped areas or townships
<input type="checkbox"/>	<input type="checkbox"/>	Cooperative owned by black people
<input type="checkbox"/>	<input type="checkbox"/>	Black people who are military veterans
OR		
<input type="checkbox"/>	<input type="checkbox"/>	Any EME

DECLARATION WITH REGARD TO COMPANY/FIRM

8. Name of registration

8.1 company/firm: registration

8.2 VAT number: registration

8.3 Company number: registration

8.4 TYPE OF COMPANY/ FIRM number: registration

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES [TICK APPLICABLE BOX]

8.6 COMPANY CLASSIFICATION

8.7 MUNICIPAL INFORMATION

8.8 Registered Account Number: Stand Number:

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

8.10 I/we, the undersigned, who is / are duly authorised to do so on behalf of the contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/firm for the preference(s) shown and I / we acknowledge that:

8.11 (i) The information furnished is true and correct;

8.12 (ii) The preference points claimed are in accordance with the General Conditions as

<p>.....</p> <p>SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE:</p> <p>ADDRESS</p>	<p>WITNESSES</p> <p>1.</p> <p>2.</p>
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- (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.
- !!!) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	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). 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.	<input type="checkbox"/>	<input type="checkbox"/>
4.1.1	If so, furnish particulars:		
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.	<input type="checkbox"/>	<input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	<input type="checkbox"/>	<input type="checkbox"/>

Name of Bidder

Position

Date

Signature

I, THE UNDERSIGNED (FULL NAME)
 CERTIFY THAT THE INFORMATION FURNISHED ON THIS
 DECLARATION FORM TRUE AND CORRECT.
 I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT,
 ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION
 PROVE TO BE FALSE.

CERTIFICATION

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.

2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:

- a. take all reasonable steps to prevent such abuse;
- b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
- c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

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

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

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 Municipality / Municipal Entity)

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

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

- (a) has been requested to submit a bid in response to this bid invitation;
- (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

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

JS9141w 4