



BID NO.: COM51/2024

**REQUEST FOR PROPOSALS (RFP) FOR
COMPLIANCE AND QUALITY REVIEW OF ANNUAL
FINANCIAL STATEMENTS FOR 2023/2024
FINANCIAL YEAR IN ACCORDANCE WITH THE
GENERALLY RECOGNISED ACCOUNTING
PRACTICE (GRAP) FRAMEWORK**

CLOSING DATE: 17 MAY 2024

COMPANY NAME: _____

CSD NO:.....



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**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE CITY OF MBOMBELA					
BID NUMBER:	COM51/2024	CLOSING DATE:	17 MAY 2024	CLOSING TIME:	11:00
DESCRIPTION	REQUEST FOR PROPOSALS (RFP) FOR COMPLIANCE AND QUALITY REVIEW OF ANNUAL FINANCIAL STATEMENTS FOR 2023/2024 FINANCIAL YEAR IN ACCORDANCE WITH THE GENERALLY RECOGNISED ACCOUNTING PRACTICE (GRAP) FRAMEWORK				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					
BID RESPONSE DOCUMENTS MUST BE SUBMITTED IN THE TENDER BOX LOCATED @ NO: 1 NEL STREET; MBOMBELA; 1200; MBOMBELA CIVIC CENTRE NEXT TO THE MAIN ENTRANCE.					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT ☐ Yes ☐ No		
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? ☐ Yes ☐ No [IF YES, ANSWER PART B:3]		
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE	R	
SIGNATURE OF BIDDER	.....		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
Financial Management Services Supply Chain Management Nomsa Ndukuya Telephone Number: 013 759 9052 Email Address: nomsan@mbombela.gov.za			Financial Management Ubaid Butler Telephone Number: 013 759 9318 Email Address: ubaid.butler@mbombela.gov.za		

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:	
1.1.	BIDS MUST BE SUBMITTED ELECTRONICALLY BY THE STIPULATED TIME ON THE TENDER MANAGEMENT PLATFORM. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
2. TAX COMPLIANCE REQUIREMENTS	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
2.4	FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
2.5	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.6	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.7	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1.	IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO
3.2.	DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO
3.3.	DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO
3.4.	DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO
3.5.	IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? ☐ YES ☐ NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.	

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:



REQUEST FOR PROPOSALS (RFP) FOR COMPLIANCE AND QUALITY REVIEW OF ANNUAL FINANCIAL STATEMENTS FOR 2023/2024 FINANCIAL YEAR IN ACCORDANCE WITH THE GENERALLY RECOGNISED ACCOUNTING PRACTICE (GRAP) FRAMEWORK

Proposals are hereby invited from experienced and capable service providers / individuals with extensive skills and expertise to review compliance and verify qualitative characteristics of the 2023/2024 annual financial statements in accordance with the GRAP reporting framework.

It is compulsory that service providers download a copy of the bid document that will ONLY be available as from 10 May 2024 on the municipal website: www.mbombela.gov.za on the tenders and notice folders www.etenders.gov.za, free of charge.

Duly completed bid documents and supporting documents which are, COPY OF TAX COMPLIANCE STATUS, CERTIFIED COPY OF B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE, CURRENT MUNICIPAL RATES AND TAXES CLEARANCE FROM RELEVANT LOCAL AUTHORITY OR PROOF OF RES FROM A TRIBAL AUTHORITY OR LEASE AGREEMENT WITH THE LESSOR'S CURRENT MUNICIPAL RATES AND TAXES FOR BOTH THE BUSINESS DIRECTORS AND COMPANY, CSD REGISTRATION FULL REPORT (Summary Report will not be considered) and a copy of the COMPANY REGISTRATION CERTIFICATE, together with the bid document must be sealed in an envelope clearly marked: "BID NO: 51/2024 REQUEST FOR PROPOSALS (RFP) FOR COMPLIANCE AND QUALITY REVIEW OF ANNUAL FINANCIAL STATEMENTS FOR 2023/2024 FINANCIAL YEAR IN ACCORDANCE WITH THE GENERALLY RECOGNISED ACCOUNTING PRACTICE (GRAP) FRAMEWORK " with the name of the bidder shall be placed in the bid box at MBOMBELA CIVIC CENTRE at 1 NEL STREET, MBOMBELA, before 11:00 on the closing date.

No briefing session shall be conducted for this tender. Technical enquiries may be directed to the project manager on the below contact details.

Bids received by telegram, fax or e-mail will not be considered. Late bids shall not be accepted or considered.

Bidders are advised not to commit fraudulent activities or forge documents. All abusers of the SCM system, including forging or faking of returnable documents, may be reported to SAPS and restricted from doing business with any Public Institutions for a period NOT exceeding 10 years which is in line with section 28 and 29 of the Prevention and Combating of Corrupt Activities Act 12 of 2004.

A preferential point system shall apply whereby this contract will be allocated to a bidder in accordance with the **Preferential Procurement Policy Framework Act, No 5 of 2000** and as defined in the conditions of bid in the bid document, read in conjunction with the Preferential Procurement Regulations, 2022, where 80 points will be allocated in respect of price and 20 points in respect targeted goals.

Procurement Enquiries	:	Nomsa Ndukuya on (013) 759 9052
Technical Enquiries	:	Ubaid Butler on 013 759 9318
Employer	:	City Manager: Wiseman Khumalo
		CITY OF MBOMBELA
		PO BOX 45; MBOMBELA; 1200

NB: The results of this bid will be published on council website as prescribed on the MFMA sec 75 (1) (g) and SCM regulations, sec. 23 (c). City's website: www.mbombela.gov.za

SPECIAL CONDITIONS OF THE BID

1. SUBMISSION OF TENDERS

The tender is to be made out on the tender form attached hereto, which must not be detached from this document, and the completed document, fully priced, extended and totalled, completed in all respects, signed and is to be sealed in an envelope which is to be enclosed and delivered in accordance with the instructions contained on the Invitation to Tender.

Proof of posting of a tender will not be accepted as proof of delivery to the appropriate place for the receipt of tender.

Tenders will be opened in public immediately after the advertised closing date.

The information to be submitted by prospective bidders will only be used for tender purposes taking into consideration the Protection of Personal Information Act (POPI Act).

2. TENDER DEPOSIT

Tender documents can be downloaded from the municipal website: www.mbombela.gov.za on the tenders and notice folders www.etenders.gov.za, free of charge.

3. ADJUDICATION OF TENDER

The City of Mbombela will not be bound to accept the lowest or any tender and also reserves the right to cancel the tender when deemed necessary.

The tender will be adjudicated by City of Mbombela in terms of the Preferential Procurement Policy Framework Act, no. 5 of 2000 and as defined in the conditions of bid in the bid document, read in conjunction with the preferential procurement regulations, 2022, where 80 points will be allocated in respect of price and 20 points in respect of specific goals level of contribution.

Prospective service providers may not make any alterations or additions to the Bid document, except to comply with instructions issued by the employer. The tender document must be furnished with non-erasable black ink and all corrections made by the service provider should be dated and signed by the authorised signatory. Erasures and the use of masking fluid, tippex, pencil or erasable ink are prohibited and failure to adhere to this condition will render your submission non responsive.

A bid not complying with the mandatory requirements stated in the bid document will be regarded as non-responsive and as such will be rejected. If a Bid has not been properly signed by a party having the authority to do so, according to the example of "Authority for Signatory" will be rejected. This condition will not apply to companies owned by one director / member / sole proprietorship but applies in cases where the signatory is not one of the directors / when the business has more than one director.

A bid will be rejected if any municipal rates and taxes or municipal service charges owed by the bidder (business) or any of its directors to the municipality, or to any other municipality or municipal entity, are in arrears for more than three months. Similarly, none submission of proof of valid and up-to-date rates and taxes statement will render the submission non-responsive.

Bids will be rejected if the bidders or any of the directors are listed on the Register of Bid Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector. Bids will be rejected if the bidder

has abused the CoM's Supply Chain Management System or SCM Processes of any state institutions.

MBD 1 will be regarded as a FORM OF OFFER and if the form is not completed in full and signed by the authorised signatory, the submission will be regarded as non-responsive.

Bidders are required to attach detailed curriculum vitae of project manager who will be responsible for the project implementation. The project manager must be a qualified chartered accountant registered with the South African Institute of Chartered Accountants (SAICA) with relevant experience in executing similar projects. The project manager as indicated on the bid document must strictly be the personnel that will directly implement the project. The bidders who fail to meet the requirement of the project structure will be eliminated on the basis that their submissions are not responsive.

4. COMPLETION OF TENDER DOCUMENTS

Tenders will only be considered on receipt of this tender document correctly completed with all insertions in black ink and signed.

The following compulsory documentation **MUST** be attached in order for the bid to be considered and failure to adhere will lead to immediate disqualification:

- Copy of a valid Tax Compliance Status (TCS)
- Proof of company registration
- CSD full registration report must **NOT** be older than **30 days** from closing date and summary report will NOT be considered)
- Tenderer must provide valid copy of municipal rates and taxes for both the company and for the active directors including JV/Consortium partners, Copies of latest municipal rates and taxes certificates from relevant local authority / proof of residential from tribal authority (if the business is operating or the directors are residing in rural areas) / lease agreement with the lessor's up-to-date municipal rates and taxes for both the business and all business directors. Prospective bidders should ensure that the physical address details of the company and directors reflected on the CSD is similar to the one reflected on the company registration certificate. The municipality reserves the right to verify both the municipal rates and taxes of the company details reflected on the CSD and company registration certificates. The municipality further reserves the right to use ID numbers of the directors to verify if any municipal rates and taxes are not owned by each director. It is prudent and remains the responsibilities of the prospective bidders to ensure that each director, lessor and company rates are cleared with regards to the municipal rates and taxes.
- **Proof of similar work done (orders or appointment letters) in the past within a municipal environment. (Reference letters will not be accepted as proof of similar work done)**
- Proof of registration with South African Institute of Chartered Accountants (SAICA).

5. BID PRICE

- (a) Bid prices will be regarded **fixed** and no additional cost will be added.
- (b) All prices must be stated in South African Currency (ZAR).
- (c) Bid prices must include VAT Amount, transport and disbursements (if applicable)

6. TAXES AND DUTIES PAYABLE

Bidders shall allow in their tender for the payment and recovery of all taxes and other duties. No claims for additional payment in this respect will be considered. Prices and rates quoted shall be inclusive of Value Added Tax (VAT). VAT shall be recorded as a lump sum in the tender summary and the total inclusive of VAT carried to the Form of Tender.

7. WITHDRAWAL OF TENDER

In the event of the successful tender failing to execute the service in terms of this tender, the Municipality shall be entitled to cancel the contract summarily, in which event the Bidder shall be liable for any additional expense incurred by reason of the Municipality having to call for fresh tenders or having to accept any less favourable tender.

8. PERIOD OF VALIDITY OF TENDERS

The period of validity of tenders shall be 120 days as stated in the tender form and be calculated from the closing date of submission of tenders.

10. NOTICE OF BIDDERS

Should any additions or alterations to the document as issued to Bidders be deemed necessary prior to the date for submission of tenders, these will be issued to Bidders in the form of Notices and will form part of the tender document.

The Notices to Bidders shall be completed where applicable by Bidders, signed, dated and returned with the tender documents.

Only bidders with necessary skills shall be considered.

11. CESSION OR ASSIGNMENT

Neither the Council nor the bidder shall cede or assign a contract for the delivery of goods or the rendering of services or any part thereof or any benefit or interest therein or there under to third parties without the written consent of the other being first had and obtained.

12. DELIVERY CONDITIONS AND PERIOD

- The successful bidder will be expected to complete the project within the stipulated timeframe after the final adjudication and signing of contract. In the event of the contractor failing to do so, he will be required to pay to Council a penalty charges equal to 100% of the total contract price week or part thereof.

NOTES / CHECKLIST FOR RETURNABLE DOCUMENTS STIPULATED UNDER SPECIAL CONDITIONS OF TENDER DOCUMENTS AS MANDATORY REQUIREMENTS. THIS DOCUMENT SHALL BE APPLICABLE TO ALL TENDER DOCUMENTS OF THE CITY.

Preamble

The objective of this checklist is aimed at ensuring that interpretation and application of the special conditions and other mandatory requirements at Bid Evaluation Committee (BEC) & Bid Adjudication Committee (BAC) are aligned as envisaged by the Bid Specification Committee (BSC). This will enhance consistency and uniformity in the entire bid committee system whilst promoting “user friendly” principles by simplifying tender requirements to all interested prospective bidders.

ITEM NO:	DESCRIPTION / RETURNABLE DOCUMENTS	NOTES	FOR OFFICE USE ONLY	
			CHECKLIST	YES or NO or N/A
1.	Company Registration Certificate	a) It's a certificate issued by the Companies and Intellectual Property Commission in line with section 14 of the Companies Act 78 of 2008 b) A Certificate issued by CIPRO in line with section 2 of the Close Corporation Act 69 of 1984 NB: The registration of Close Corporations (CCs) was replaced by introduction of the New Companies Act which came to effect in April 2011. CCs to be recognized as valid registration certificate will be up to 2010.	Has the bidders attached a valid company registration document in line with the applicable legislation?	
2.	Company Profile	a) A Company Profile is a professional introduction of your Business that aims to inform Clients about its purpose, vision, trustworthiness, products and services, and experience of your Company. It is basically a “CV for your Business/Company”	Has the bidder attached a company profile and its experience is relevant to add value on this project?	

3.	Certification of documents to be submitted together with the tender document. I.e. ID Copies of business owners, qualifications, Licenses and certificates, accreditation by professional bodies, proof of ownership document, appointment letters, completion certificates, etc.	a) The certification of documents must be done by a commissioner of oath as prescribed in the Justices of the Peace and Commissioners of Oaths Act 16 of 1963 and its Regulations. b) Acceptable certified copies are copies originally certified from any police station, post office, Lawyers or notary public (who are members of a recognised professional body), Actuaries or accountants (who are members of a recognised professional body), Members of the judiciary, Directors, managers or company secretaries of a banks or regulated financial services business. c) <i>Commissioner of Oaths stamps can be purchased at Stationary shops, but it can be custom made following the below example:</i> CERTIFIED TRUE COPY OF THE ORIGINAL DOCUMENT. THERE ARE NO INDICATIONS THAT THE ORIGINAL DOCUMENT HAS BEEN ALTERED BY UNAUTHORISED PERSONS. Designation (rank) .....ex officio: RSA Date: Place Business Address: Commissioner of Oaths Signature Full Names NB: All certified copies must NOT exceed three months and be originally certified.	Has the bidder certified all documents to be certified as per special conditions of bid? Check validity on the date, check if the commissioner of oaths stamp is compliant as per example copied from the Regulations.	
4.	Central Supplier Database (CSD) Full report, (Summary report will NOT be acceptable). N/B CSD Report date should not be more than 30 days before Bid closing date.	a) The City requires that all prospective bidders should be registered on CSD. This is aimed at verification of email addresses, phone numbers, banking details, company registration numbers, tax status with SARS, state employees, etc.	Has the bidder attached a full CSD report, are tax matters in good order, are the directors not in the employment of any state and the CSD report	

			is not older than 30 days from the closing date?	
5.	Tax Compliant Status (TCS)	a) Prospective bidders are required to attach a valid TCS together with the tender document.	Has the bidder attached a valid (not expired) TCS? The designated official should verify the bidder's tax compliance status prior to finalization of the award of a bid or prize quotation. Where the recommended bidder is not tax compliant, the bidders should be notified of their non-compliant status and the bidder must be requested to submit to the City within 7 working days, written proof from SARS of their tax compliance status or proof from SARS that they have made arrangements to meet their outstanding tax obligations. The proof of tax compliance status submitted by the bidder	

			to the City must be verified via the CSD report or e-Filing. The City should reject a bid submitted by the bidder if such a bidder fails to provide proof of tax compliance status within the timeframe stated above (See MFMA Circular No: 90) .	
6.	Certified copy of B-BBEE Certificate / affidavit for B-BBEE status level of contributor (to claim points only) .	a) EMEs in terms of the B-BBEE Act 53 of 2003 may submit a sworn affidavit confirming annual total revenue and level of black ownership or Certified Copy of B-BBEE Certificate. b) Bidders other than EMEs and QSEs MUST submit their certified copies of valid B-BBEE status level verification certificate, substantiating their B-BBEE rating issued by a registered auditor approved by IRBA or a verification agency accredited by SANAS. c) 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. NB: There is NO consolidated affidavit for B-BBEE status level of contributor. Only consolidated B-BBEE certificate will be considered for JVs / Consortium & large companies that are making an annual turnover in excess of R50 million including value added tax (VAT). <i>This is not a disqualifying factor, non-adherence will lead to no allocation of B-BBEE points.</i>	Is the copy B-BBEE Certificate valid? Is the sworn affidavit for EME / QSE in line with the threshold for EME and EME and valid? If the tendering entity is a JV / Consortium / Large company, has the bidder attached a certified copy of a valid and consolidated B-BBEE certificate in order to claim points as prescribed by the MSCM Regulations? Is the copy of B-BBEE certificate certified by the Commissioner of Oaths reflects as prescribe on the regulations of the Act?	

			Is the affidavit for B-BBEE stamped and signed by commissioner of oaths? I.e. full names and signature, force/practice number, designation / rank, date and address. Is the certification date not older than 3 months and original ink is clear on the document to confirm if it is originally certified?	
7.	Formal agreement must be attached in case of a joint venture (JV) or consortium.	a) The JV/consortium must amongst others, reflect clear profit and losses sharing percentages. It is compulsory that the lead partner must have at least 51% majority shares in the JV/consortium.	If the tendering entity / bidder is a JV/Consortium, has the bidder attached a detailed JV/Consortium agreement with all critical information?	
8.	In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit separate required returnable documents.	a) This will not be applicable to functionality and B-BBEE requirements.	If the tendering entity / bidder is a JV/Consortium, have the parties involved attached all individual required documents as per special condition of bid?	

9.	Latest municipal rates and taxes certificates from relevant local authority for the business and all business directors OR Proof of resident from tribal authority for the business and all business directors OR Lease agreement with the Lessor's latest municipal rates and taxes certificates from relevant local authority. NB: All accounts owing any municipality for more than 90 days will be disqualified as prescribed on the MSCM Regulations.	a) If the business is operated and its director(s) are residing within a municipal area, bidders are expected to attach latest municipal rate and taxes certificates for the business and ALL its directors. b) If the business is operated and its director(s) are residing within a tribal authority. Bidders are expected to attach proof of resident for the business and ALL its directors. c) If the business directors are leasing a facility for residential purposes, they are required to attach individual lease agreement with lessor's latest municipal rates and taxes for a facility is within a Municipal boundary and if the business is renting office / business facility, the bidders are required to attach lease agreement for the business with lessor's latest municipal rates and taxes for a facility within a municipal boundary. If the facility leased is in a rural area, lease agreement will be accompanied with the lessor's proof of residential from a tribal authority. NB: <i>Domicilium citandi at executandi</i>: Domicilium citandi et executandi is a Latin legal term meaning the address nominated by a bidder in a legal contract where legal notices may be sent. Bidders are encouraged to update their addresses when they relocate their businesses and the preferred address on the CSD should be in line with the address on the Company Registration Document. It is the responsibility of the bidder to ensure that all physical addresses reflected either on the company registration document and CSD are not owing any municipal rates and taxes for more than three months including the Lessor's municipal account in case of lease. The rationale behind this requirement is the enhance revenue in RSA municipalities as enshrined on the Municipal Systems Act 32, 2000. Failure to attach is an immediate disqualification but failure to align addresses will not	Has the bidder attached latest municipal rates and taxes from relevant local authority for the company / business and all company directors / owners? In case of lease, has the bidders attached lease agreements and lessor's proof of res from a tribal authority or latest municipal rates and taxes certificate? Is the account not in areas for more than 90 days (3 months)?	
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		be a disqualifying factor, however all addresses reflected on the both the CSD and company registration document will be subjected to this requirement.		
10.	<u>Forging of documents/certificates</u> The City has noted that prospective bidders are allegedly submitting fraudulent and forged documents when bidding for tenders. Bidders are advised not to commit fraudulent activities and forge documents. The City will ensure that this Act is adhered to by reporting all abusers of the SCM system to SAPS and enlist them on the Register of Tender Defaulters as prescribed on section 29 of the Prevention and Combating of Corrupt Activities Act 12 of 2004. Abusers of the SCM system, amongst other penalties, may be restricted to do business with any Public Institutions for a period	Section 34(1)(b) of the Prevention and Combating of Corrupt Activities Act 12 of 2004, stipulates that: <i>“any person who holds a position of authority and who knows or ought reasonably to have known or suspected that any other person has committed the offence of theft, fraud, extortion, forgery or uttering a forged document involving an amount of R100 000 or more, must report such knowledge or suspicion or cause such knowledge or suspicion to be reported to any police official”.</i> Section 34(2) of the same Act stipulates that: <i>“subject to the provision of section 37(2), any person who fails to comply with subsection (1), is guilty of an offence”.</i>	Are there any suspicious / alleged fraudulent or forged documents? If yes, has the matter been reported to the nearest SAPS following correct institutional protocol? Has the matter been registered with the Registrar to enable due processes and per the Act? NB: The minutes of the BEC / BAC should detail all the elements of alleged fraud and forged documents.	

	NOT exceeding 10 years (see section 28 of this Act).			
11.	Copy of Public Liability insurance. Only insurance covers from registered and authorized financial service providers will be accepted.	a) Public liability insurance may vary from one project to another on the basis of the level of risk and complexity of the project. Minimum cover to be determined by the BSC prior consultation with the project manager if deemed necessary.	If applicable, is the bidder compliant with the minimum cover stipulated in the bid document? Is the public liability insurance from a registered financial institution?	
12.	Recent audited / independently reviewed financial statements for three consecutive years. NB: if a company provides any financial statements in terms of section 29 of the Companies Act, such statements must comply with the provision of the Act.	a) Applicable to private companies that are not managed by its owners, if: - It compiles its financial statement internally and its public interest score is less than 100. - It has its financial statements compiled independently and its public interest score is between 100 and 349. - The public interest score is 350 points or more, is required for an audit to be conducted.	Has the bidder furnished MBD 5 as mandatory for all projects estimated to be in excess of R10 million? Has the bidder attached the relevant AFS as required by law and is it aligned with his/her declaration on MBD 5? False / mismatched / inconsistent declaration may lead to immediate disqualification.	
13.	Recent annual financial statement (AFS) for three consecutive years (unaudited AFS). NB: if a company provides any financial statements in terms of section 29 of the Companies Act, such statements must comply with the provision of the Act.	a) Applicable to private companies with a public interest score of less than 100. b) If, with respect to a particular company, every person who is a holder of, or has a beneficial interest in, any securities issued by that company is also a director of the company, that company is exempt from the requirements in this section to have its annual financial statements audited or independently reviewed.	Has the bidders furnished MBD 5 as mandatory? Has the bidder attached the relevant AFS as required by law in line with his/her declaration on MBD 5?	

		NB: An independent review will suffice if the company has opted to have its financial statement audited or is required by its Memorandum of Incorporation (MOI) to do so.		
14.	Functionality / Quality for evaluation of complex projects	a) Functionality test refers to evaluation of bidders on various aspects of the contract to establish if the bidders has the capabilities to execute the contract or not. The various aspect may include but not limited to: track record and experience on similar projects, human resource and their individual experience, financial capabilities, relevant technology, etc. NB: Functionality will not be compulsory for all projects but for complex projects. Functionality criteria will vary from one project to another.	Has the bidder met the minimum threshold on functionality in order to qualify for further evaluation on price and B-BBEE? Has the bidders been scored in line with the evaluation criteria set on the tender document? All portfolio of evidence attached and certified as stated on the bid document?	
15.	The Compensation for Occupation Injuries and Diseases Act 130 of 1993 (COIDA)	a) The COIDA provides for compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, or for death resulting from such injuries or diseases, hence bidders are expected to attach COIDA certificates in line with their specialize area aligned to the type/nature of business.	If applicable, is the COIDA certification / letter of good standing attached, valid and reflects the nature of work in line with the scope of works?	

TERMS OF REFERENCE

COMPLIANCE AND QUALITY REVIEW OF ANNUAL FINANCIAL STATEMENTS FOR 2023/2024 FINANCIAL YEAR IN ACCORDANCE WITH THE GENERALLY RECOGNISED ACCOUNTING PRACTICE (GRAP) FRAMEWORK

BACKGROUND

Legislative requirement

Section 122 (1) of the Municipal Finance Management Act No. 56 of 2003 requires that:

Every municipality and every municipal entity must for each financial year prepare annual financial statements which-

- (a) *fairly presents the state of affairs of the municipality or entity, its performance against its budget, its management of revenue, expenditure, assets and liabilities, its business activities, its financial results, and its financial position as at the end of the financial year; and*
- (b) *disclose the information required in terms of sections 123, 124 and 125.*
- (3) Both annual financial statements and consolidated annual financial statements must be prepared in accordance with generally recognised accounting practice prescribed in terms of section 91(1) (b) of the Public Finance Management Act.

Section 126 (1) of the Municipal Finance Management Act no 56 of 2003 further states that:

1. The Accounting Officer of a municipality :

- (a) *Must prepare the annual financial statements of the municipality and ,within 2 months after the end of the financial year to which those statements relates, submit the statements to the Auditor General for auditing; and*
- (b) *Must in addition, in the case of the municipality referred to in section 122 (2) prepare consolidated annual financial statements in terms of that section and, within three months after the end of the financial year to which those statements relate, submit the statements to the Auditor General for auditing.*

Institutional background

The City of Mbombela is one of the municipalities of South Africa, located within Ehlanzeni District Municipality, Mpumalanga province. The City of Mbombela was established in terms of Section 12 of the Municipal System Act (2000) by the MEC for Cooperative Governance and Traditional Affairs in Mpumalanga subsequent to the disestablishment of two municipalities, Mbombela Local Municipality (MP322) and uMjindi Local Municipality (MP323)

The City has a financial year end of 30 June each year for which annual financial statements must be prepared in accordance with the requirements of the Generally Recognised Accounting Practice (GRAP) reporting framework.

The City intends to invest in quality and compliance review of the annual financial statements in order to eliminate any material misstatements or adjustments to the annual financial statements after submission to the Auditor General.

DESCRIPTION / SPECIFICATIONS

1. The successful bidder will be required to conduct an in depth compliance and quality review assessment in order to verify the application of all the qualitative characteristics to the annual financial statements of the City of Mbombela in accordance with the overall GRAP reporting framework including any applicable directives.
2. The review must be undertaken in August each year for the annual financial statements of the City of Mbombela.
3. The successful bidder must issue a report on the findings from the review process and provide recommendations in accordance with the Generally Recognised Accounting Practice (GRAP) reporting framework. The report must be submitted to the Office of the Chief Financial Officer or any delegated employee within the stipulated timeframes.
4. **The successful bidder must give a clear indication of the duration required for the overall quality review to be undertaken for all the financial statements as indicated in 2 above.**
5. Give advice on the technical accounting issues relating to identification, recognition, measurement and disclosure of transactions emanating from the review.
6. The successful bidder must have been certified / accredited for the municipal Standard Chart of Account (mSCOA) programme.
7. Conduct a workshop / training to executive management and also members of the mayoral committee on the review and oversight roles and responsibilities over the financial statements

8. The successful bidder will also be required to sign a service level agreement (SLA) with the City.

Pricing Structure/ Fees

Financial Year	Financial Year End	Amount Excl. VAT
2023/2024	30 June 2024	R
15 % OF VAT		R
TOTAL BID PRICE INCL. VAT		R

**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 CASE WHERE DIFFERENT DELIVERY POINTS INFLUENCES THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder..... Bid number: COM51/2024

Closing Time 11:00 on 17 MAY 2024.

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QTY	DESCRIPTION	BID PRICE IN RSA CURRENTLY (INCLUDING VAT)
-	Required by	.....	
-	At:	.....	
			
-	Brand and model	.....	
-	Country of origin	.....	
-	Does the offer comply with specification?		*YES/NO
-	If not to specification, indicate deviation(s)	.....	
-	Period required for delivery	.....	
			*Delivery: Firm/not firm
-	Delivery basis (all delivery costs must be included in the bid price)	.....	

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

Procurement Related Enquiries:

Nomsa Ndukuya

Supply Chain Management

Tel No: 013 759 9052

Email address:

nomsan@mbombela.gov.za

Technical Enquiries:

Ubaid Butler

Accounting Services

Tel No: 013 759 9318

Email address:

ubaid.butler@mbombela.gov.za

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/adjudicating authority.

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

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number:.....

3.3 Position occupied in the Company (director, trustee, hareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

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

3.8 Are you presently in the service of the state?**YES / NO**

3.8.1If yes, furnish particulars.....

.....

¹MSCM 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:

.....
.....

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

Full Name	Identity Number	State Employee Number

.....
Signature **Date**

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

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

a) The applicable preference point system for this tender is the 80/20 preference point system.

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20	or	90/10
$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) \text{ or } Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$		

Where

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

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20	or	90/10
$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$		

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
 - (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

Item no.	The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Number of points claimed (80/20 system) (To be completed by the tenderer)
A total of 15 preference points shall be allocated on a proportional or pro rata basis for contracting an enterprise owned by historically disadvantaged persons or individuals who meet the following requirements -			
1.	for 100% black person or people owned enterprise	5 points	
2.	for at least 30% woman or women shareholding or owned enterprise	5 points	
3.	For at least 30% youth shareholding or owned enterprise	2.5 points	
4.	for at least 30% people living with disability shareholding or owned enterprise	2.5 points	
A total of 5 preference points shall be allocated on a proportional or pro rata basis for implementing of programmes for RDP -			
7.	for enterprise regarded as EME located within the local area of jurisdiction.	5 points	
The City will utilize the CSD report for the above-mentioned information.			

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

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

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

	 SIGNATURE(S) OF TENDERER(S)
SURNAME AND NAME:	.....
DATE:	.....
ADDRESS:	..... ..... ..... .....

THIS MBD FORM MUST NOT BE COMPLETED PRIOR TO APPOINTMENT. IT WILL BE ONLY BE FURNISHED AND SIGNED BY THE SUCCESSFUL BIDDER/SERVICE PROVIDER

CONTRACT FORM - PURCHASE OF GOODS/WORKS

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

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2022;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES	
1	.....
2.	.....
DATE:	

(BIDDERS / SERVICE PROVIDERS MUST NOT FILL THIS PART TWO OF THIS MBD 7)

CONTRACT FORM - PURCHASE OF GOODS/WORKS

PART 2 (TO BE FILLED IN BY THE PURCHASER / MBOMBELA LOCAL MUNICIPALITY)

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

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

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

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1.

2.

DATE

2.2 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 as a company or person 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 National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes ☐	No ☐
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)? (To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		

4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.7.1	If so, furnish particulars:		

CERTIFICATION

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

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

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

AUTHORITY TO SIGN A BID

1. COMPANIES AND CLOSE CORPORATIONS

- a. If a Bidder is a **COMPANY**, a **certified copy of the resolution by the board of directors**, duly signed, authorising the person who signs this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the company **must be submitted with this bid**, that is, before the closing time and date of the bid
- b. In the case of a **CLOSE CORPORATION (CC)** submitting a bid, a **resolution by its members**, authorizing a member or other official of the corporation to sign the documents on their behalf, **shall be included with the bid**.

PARTICULARS OF RESOLUTION BY BOARD OF DIRECTORS OF THE COMPANY / MEMBERS OF THE CC

Date Resolution was taken			
Resolution signed by (name and surname)			
Capacity			
Name and surname of delegated Authorized Signatory			
Capacity			
Specimen Signature			
Full name and surname of ALL Director(s) / Member (s)			
Is a CERTIFIED COPY of the resolution attached?	YES		NO
SIGNED ON BEHALF OF COMPANY / CC:		DATE:	
PRINT NAME:			
WITNESS 1:		WITNESS 2:	

2. SOLE PROPRIETOR (SINGLE OWNER BUSINESS)

I, _____, the undersigned, hereby confirm

that I am the sole owner of the business trading as _____

3. PARTNERSHIP

We, the undersigned partners in the business trading as _____

hereby authorize Mr/Ms _____ to sign this bid as well as any contract resulting from the bid and any other documents and correspondence in connection with this bid and /or contract for and on behalf of the abovementioned partnership.

The following particulars in respect of every partner must be furnished and signed by every partner:

Full name of partner	Signature

SIGNED ON BEHALF OF PARTNERSHIP:		DATE:	
PRINT NAME:			
WITNESS 1:		WITNESS 2:	

CERTIFICATE OF AUTHORITY FOR JOINT VENTURES
--

This returnable schedule is to be completed by JOINT VENTURES

We, the undersigned, are submitting this tender offer in joint venture and hereby authorize Mr/Ms

_____ authorized signatory of the Company/Close Corporation/Partnership (name)_____, acting in the capacity of lead partner, to sign all documents in connection with the tender offer and any contract resulting from it on our behalf.

1. Name of firm (Lead partner)			
Address			
		Tel. No.	
Signature		Designation	

2. Name of firm			
Address			
		Tel. No.	
Signature		Designation	

3. Name of firm			
Address:			
		Tel. No.	
Signature		Designation	

4. Name of firm			
Address			
		Tel. No.	
Signature		Designation	

NOTE: A copy of the Joint Venture Agreement showing clearly the percentage contribution of each partner to the Joint Venture, shall be appended to this Schedule.

EVALUATION CRITERIA

The tender will be evaluated by City of Mbombela in terms of the preferential procurement policy framework Act no 5 of 2000 and as defined in the conditions of bid in the bid document (read in conjunction with the Supply Chain Management Policy of City of Mbombela) where 80 points will be allocated in respect of price and 20 points in respect of B-BBEE certificate issued by a verification issued by SANAS or a registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

Prospective bidders must score a minimum of 15 points to proceed for further evaluations and failure to score the minimum points specified will render the bid non responsive.

TABLE A1: SERVICE PROVIDERS REFERENCES

SKILLS OF KEY PERSONELL

	Attach a proof of CV and recommendation/appointment letters from the previous clients	TENDER ED GOAL	POINTS Claimed by tenderer	ALLOCATED POINTS
Plus				
1	Qualifications of the Project Manager. Registered Chartered Accountant – CA (SA)	5		
2	Project manager executed at least five similar projects within the municipal environment (1 point per project)	5		
And				
EXPERIENCE OF THE COMPANY (Attach recommendations letters or appointment letters from clients)				
	The company has executed at least five similar projects in the past (Two points for each successful reference) (orders or appointment letters)	10		
	SUB-TOTAL	20		

SUPPLY CHAIN POLICY USING 80/20 PREFERENCE POINT SYSTEM

		MAXIMUM POINTS TO BE ALLOCATED	POINTS CLAIMED BY BIDDER	ALLOCATED POINTS
PRICE AND COMPETENCE GOALS (80 POINTS)	PRICE	80		
	SUB TOTAL	80		
EQUITY PROMOTION GOALS (20 POINTS)				
	B-BBEE STATUS LEVEL OF CONTRIBUTION	20		
	SUB TOTAL	20		
	TOTAL	100		