



TERMS OF REFERENCE

APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF BANKING AND RELATED SERVICES FOR A PERIOD OF 60 MONTHS

Closing Date: 18 July 2023

Closing Time: 11h00

For all technical queries, please contact :

Ms Hlengiwe Hakata – 032 946 1256/ 076 200 6930

Service Provider Terms of Reference

PART A

It is the intention of Enterprise iLembe to enter into a formal contract with a single service provider or consortium to provide the services described herein. These Terms of Reference and the service providers' proposal will form the basis of the contract.

Section 1: Details

Province:	KwaZulu-Natal
Municipality:	iLembe District Municipality and the local municipalities comprising of Kwa-Dukuza, Mandeni, Maphumulo & Ndwedwe
Contracting Agency:	Enterprise iLembe Economic Development Agency T/A Enterprise iLembe
Project Name:	Provision of Banking and Related Services

Enterprise iLembe is an economic development agency wholly-owned by the iLembe District Municipality mandated to pursue and facilitate investment, economic development and empowerment in iLembe. The objective of Enterprise iLembe is to improve the competitiveness of the iLembe Region by creating an environment that will enable local business to compete successfully on the international level.

The agency currently has a total staff complement of 35 and 7 board members. Its total budgeted revenue for the 2022/23 financial year is R49 mil. The budgeted operational expenditure is R49 mil while capital expenditure is budgeted at R8 mil.

Section 2: Project Brief

At the expiry of contractual period for the commercial banking and related services, the Agency is required, in terms of legislation, to procure (following competitive bidding processes) banking services for the ensuing period of five years from a suitable and competent financial institution / commercial bank registered in terms of the Banks Act, Act no 94 of 1990. The bid for commercial banking services agreement is to comply with the provisions of the Municipal Finance Management Act, No. 56 of 2003 and the Preferential Procurement Policy Framework Act (PPPFA) read together with the 2022 PPPFA Regulations.

Enterprise iLembe therefore wishes to appoint a financial institution/registered bank to render commercial banking and related services for the Agency for a period of 60 months. Prospective service providers must be commercial banking institutions registered in terms of the Banks Act, Act no 94 of 1990.

It is imperative that Bidders must demonstrate their capability to provide the banking requirements of the Agency.

Section 3: Financial Activities and Information

3.1. Vat Registration Number: 4610255624

3.2. 2022/23 Annual Budget

The following was approved by the Board during January 2023 and Council during February 2023:

	R '000
Operating Revenue	49 215
Operating Expenditure	49 210
Capital Expenditure	8 116

3.3. Schedule of Bank Accounts

The Agency operates the following bank accounts:

NO.	NAME OF BANK ACCOUNT
1	Primary Bank Account x1
2	Project Bank Account x1
3	Investment Accounts x4
4	Account linked to fleet vehicles (petrol card) x 1

3.4 Time frame

The appointment for the provision of banking and related services will be for a period of 60 months.

Section 4: Project Description

4.1. Handling of cash

	SERVICES REQUIRED
4.1.1.	Cash deposit facility (as and when required)
4.1.2.	Cash deposits.
4.1.3.	Providing copies of deposit slips/ depositor details/ statements.
4.1.4	A dedicated support team to maintain and service all banking queries.

4.2. Other Services

	SERVICES REQUIRED
4.2.1.	Statutory Audit Bank confirmation letters/ certificates.
4.2.2.	Online bank statement request facility (90 days free of charge).
4.2.3	Returned/disputed debit order. (Full details of debit order to be provided on request).
4.2.4.	Favorable interest rate on credit balances in the bank accounts of the agency.
4.2.5.	Call account linked to credit account to enable transfer of funds as and when required.
4.2.6	Point of sale terminals must be installed where they are required which will accept credit, debit and other cards and be linked to agency accounting system (if required)

4.3. Reporting, Audit Trails and Queries

	SERVICES REQUIRED
4.3.1.	Comprehensive daily and monthly cash management reports and statements.
4.3.2.	Hard copies of historical information in respect of all bank related queries and indicate the available period (e.g. minimum 12 months).
4.3.3.	A download and hard copy of electronic payments received through internet, saswitch, telephone banking, etc., into file format for electronic receipt into the

	agency's system.
4.3.4.	Deposit error corrections must be reported to the Agency within 48 hours of the deposit inclusive of all supporting documentation.
4.3.5.	On-line, real-time browsing facilities.

4.4. Electronic Banking Services

	SERVICES REQUIRED
4.4.1.	Direct on-line balance enquiry.
4.4.2.	Direct on-line statement enquiry.
4.4.3.	Direct on-line stop payment facility.
4.4.4.	Direct on-line reversal of stop payment.
4.4.5.	Electronic historical information in respect of all bank statements and indicate the available period (e.g. minimum 12 months).
4.4.6.	Facility to download information on the bank statement into the Agency's Munsoft system to facilitate bank reconciliations.
4.4.7.	An audit trail of all electronic fund transfers in/ deposits.
4.4.8.	Direct on-line facility to enable transfer of funds electronically between the Agency's bank accounts.
4.4.9.	Debit order facility
4.4.10	An electronic enquiry facility to access direct debit rejections with a reason/ code explaining the rejection.
4.4.11	EFT payments facility to nominated accounts where the bidder's system allows the Agency to specify the maximum amount as well as the number of payments per day to be made to a nominated account with exception reports when these limits are exceeded.(Investments, salaries etc.)
4.4.12	An audit trail of all EFT payments per payee (including details thereof) and should be able to be printed if required.
4.4.13	Integration into the MUNSOFT or applicable accounting system, if required.

4.5. Credit Facilities

	SERVICES REQUIRED
4.5.1.	Fuel Cards Facility. (If required)
4.5.2.	Overdraft Facility (APPROVAL ONLY ON REQUEST BY COUNCIL).

4.6 INVESTMENTS

The entity will request quotations from all Banks when an investment is required in order to receive the best possible interest rate.

BIDDER'S RESPONSE

This section sets out the banking and related services that the Agency requires to be provided, or made available, by the financial institution/ registered bank (the Bidder). The Bidder is requested to supply full details of the services required. The Bidder must supply details of:

- (a) The time frames required by the bank and a programme for implementation of the required banking services,
- (b) Any additional computer hardware or software that is required and the minimum bandwidth requirement (specify who bears the associated cost) in order for the proposed banking systems to interface with the agency's financial system;
- (c) The training requirements (and specify who bears the associated cost) for the Agency's personnel to use the proposed banking system.

ADDITIONAL INFORMATION TO BE SUPPLIED BY BIDDER

1. Set of audited annual financial statements for the recent 3 (three) financial years (compulsory).
2. The most recently published credit rating report by a local Independent Credit Rating Agency and by an International Credit Rating Agency.
3. The Branches and service points in the iLembe District Municipality area.
4. The Branch Network in Kwa-Zulu Natal.
5. Details of the designated main branch where the Agency's bank account will be located:-

- Name and Physical Location
 - Banking relationship structure, names and positions
 - Staffing numbers and structures
 - After hours services
6. The administrative and Information Technology systems and support services
 7. Membership of a Clearing House
 8. Bidder's information system must be web based.
 9. All banking requirements for resolutions and approvals e.g. Signatories
 10. The bidder's current involvement in providing a banking service to National, Provincial, Local government and Parastatals. Three (3) written references to be supplied.
 11. The bidder's current involvement in providing a banking service to Local government whose Financial Management system is Munsoft. Three (3) written references to be supplied.
 12. The bidder's current contribution towards social responsibility initiative to the previously disadvantaged communities particularly in iLembe District Municipality with three (3) letters of reference from 3 community beneficiaries.
 13. Statement of intent of the bidder to commit towards social responsibility initiatives within the iLembe District Municipality area of jurisdiction.

SUBMISSION OF PROPOSALS

Please note that there is no briefing session for this tender.

Failure to submit compulsory registration and compliance documentations as per Annexure List below will result in your proposal being disqualified. Please note that no proposals will be accepted from persons in service of the state.

Please place your completed proposal in a sealed envelope endorsed "PROPOSAL FOR: THE PROVISION OF BANKING AND RELATED SERVICES FOR A PERIOD OF 60 MONTHS" in the Tender Box at Sangweni Tourism Centre, Cnr Link Road & Ballito Drive, Ballito on or before **18 July 2023**.

Please note the office hours of Enterprise iLembe are as follows:

Monday – Thursday (07h30 to 16h00)

Friday (07h30 to 16h00)

Enterprise iLembe does not bind itself to accept the lowest or any of the proposals received and reserves the right to accept the whole or part of the proposal.

Section 6: Adjudication Criteria

6.1 Procurement Policy

Please note that the validity period for this tender is 90 days from date of tender closure.

Proposals will be evaluated in terms of the Procurement Policy of Enterprise iLembe and shall be applied as follows:-

- **Mandatory Evaluation-** All proposals will be evaluated in terms of the mandatory (compulsory) documents/ submissions as set out in this terms of reference. Failure of the service provider to complete, sign and/or submit any or all of the mandatory requirements will result in disqualification from further evaluation.
- **Functionality Evaluation –** All proposals that meet the mandatory requirements will then be evaluated in terms of functionality as specified in section 6.2, below.
- **Price Evaluation-** As specified in the PPPFA (No.5 of 2000) read together with the 2022 PPPFA Regulations and the 2011 B-BBEE Regulations as specified in section 6.3 below.

6.2 Functionality Evaluation

Any proposal that fails to achieve a minimum of 60 points of the total of 100 and a score greater than zero in categories marked with an asterisk (*) on the functionality evaluation shall not be evaluated further and will be deemed to be non-responsive.

FUNCTIONALITY	SCORE
The bidders' most recent bank rating (bidders to submit only one copy of recent bank rating)	
• B rating	35
• C rating	20
• D+ (i.e. D and beyond)	15
• No rating submitted	0

<p>Number of years the bidder has rendered the banking services to municipalities (letters of reference clearly indicating years of service)</p> <ul style="list-style-type: none"> • 10 years and more • 5 to 9 years • 0 to 4 years 	<p>25 15 5</p>
<p>Branches and/or Banking Facilities in each Municipal Area (KwaDukuza, Ndwedwe, Maphumulo and Mandeni)</p> <ul style="list-style-type: none"> • Branches and/or Banking Facilities in all 4 local municipalities • Branches and/or Banking Facilities in 3 local municipalities • Branches and/or Banking Facilities in 2 local municipalities • Branch and/or Banking Facility in only 1 local municipality • No branches/ banking facilities within iLembe District area 	<p>10 8 5 3 0</p>
<p>Record of the Bidder's contribution towards social responsibility within iLembe District Municipality (3 letters of references from beneficiaries)</p> <ul style="list-style-type: none"> • 3 or more letters of reference • 2 letters of reference • 1 letter of reference • None 	<p>15 10 5 0</p>
<p>Confirmation that the Bank has been registered in terms of the Banks Act, 1990 (Act No. 94 of 1990) i.e. Certificate of Registration as a Bank. (*)</p>	<p>15</p>
<p>TOTAL</p>	<p>100</p>

6.3 Price Evaluation

Bidders wishing to claim a maximum of 20 preference points in terms of Specific Goals must attach the following:

- 1. Valid B-BBEE certificate/ affidavit (Level 3 or above)- 20 points***

The 80/20 preference point scoring system will be applied with points allocated as follows:-

- 80 points for the price;
- 20 points in respect of the specific goals listed above.

DOCUMENTS RELATING TO THIS TENDER

1. **Annexure A: Compulsory Pricing Sheet (From page 20 below)**
2. **Annexure B: Compulsory Information Sheet (Page 26 below)**
3. **Detailed Proposal of the bidder** - *It is compulsory for bidders to ensure that their proposals are bound or stapled securely together. If the proposal is too thick to be bound or stapled, bidders are allowed to split the document into sections, however, each section must be bound or stapled and must be individually labelled with the name of the bidder. Under NO circumstances will loose submissions be accepted.*
4. **Registration details & Compliance**
 - All interested bidders must be registered on the Central Supplier Database for Government. Proof of registration on the CSD must be included in the bidder's proposal (i.e. either the CSD Supplier Number or the CSD Report). **(Compulsory). Please visit <https://secure.csd.gov.za/> to register on the Central Supplier Database.** The CSD will be used to verify the tax compliance status of the bidder. NB: Bidders who are in service of the state as per CSD will be disqualified from further evaluation unless supporting documents proving the supplier is not a government employee is submitted as part of the proposal.
 - All bidders must submit a Tax Compliance Status (TCS) Pin Number (Compulsory). In line with the latest circular from SARS (South African Revenue Services), bidders can now submit a **UNIQUE PIN** to enable the entity to verify the bidder's tax compliance status online via E-filing or via the CSD. No awards will be made to bidder's whose tax matters are not in order and who fail to rectify their tax status at the time of adjudication of the bid.
 - Annexure A, Annexure B as well as the following Municipal Bidding Documents - MBD 1(Part A & B); 4; 6.1; 8 and 9 Forms which can be found on page 27-39 of this document **(Compulsory). Please note that it is compulsory for these documents to be completed and signed.** Please note that the SBD forms will not be accepted.
 - Company registration documents showing all active members/ directors/ shareholders/ owners etc **(Compulsory)**
 - If the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements for the past three years or since establishment if established during the past three years **(Compulsory)**
 - Proof of location of the business within the iLembe District (i.e. KwaDukuza, Mandeni, Maphumulo or Ndwedwe). Bidders are requested to submit a signed councillor letter, valid signed lease agreement or a utility bill not older than three months.
 - All supporting documents as detailed in the competency table on pages 8-9 of this document.
 - Bank confirmation letter

- Power of Attorney/ Signing authority where applicable
- B-BBEE Verification Certificate/ Affidavit (Please attach the approved B-BBEE accreditation certificate/ affidavit if available in order to claim points for this.)
- Power of Attorney/ Signing authority where applicable

Points to note regarding the B-BBEE Status Level:

- Bidders other than EMEs must submit valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- A trust, consortium, or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 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.
- Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

The following rules are applicable ONLY to consortia / joint ventures / sub-contracting and MUST be adhered to:

- In bids where Consortia / Joint Ventures / Sub-contractors are involved; each party must **submit separate** MBD 4 forms, B-BBEE Certificate/ Affidavits, SARS tax compliance status (TCS) pins AND Central Supplier Database (CSD) registration number **(compulsory)**.
- In addition, the relevant signed agreement between all parties involved, which clearly outlines the roles and responsibilities specific to this tender must be submitted **(compulsory)**.
- A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an Exempt Micro Entity that has the capability and ability to execute the sub-contract.
- A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

PART B:SPECIAL CONDITIONS OF CONTRACT

1. DEFINITIONS AND TERMS

Scope

The purpose of this section is to define some of the terms used in this document.

Definitions

1. In these documents the following words or expressions shall have the meanings hereby assigned to them, except where the context otherwise requires:
 - (a) “Commercial Bank” means a bank registered in RSA and providing commercial banking services that is connected to the Automated Clearing Bureau and with an extensive branch network;
 - (b) “Contract” means an agreement entered into between the commercial bank and Enterprise iLembe where the commercial bank has agreed to render commercial banking services as specified in the bid specifications. Such a contract will include all appendices to the main document and must conform to the bid specification;
 - (c) “Employer” means Enterprise iLembe or any person authorized by the Board to act on its behalf;
 - (d) “Bidder” means person or persons, partnership, company or firm who herewith submits a bona fide bid / proposal for the provision of Commercial Banking Services involving Bank Accounts for Enterprise iLembe;
 - (d) “Municipality / District Municipality / District or Council” means iLembe District Municipality.
 - (e) “Agency” means Enterprise iLembe.
2. Words in the singular shall also include words in the plural and vice versa and words denoting the male gender shall be interpreted as also referring to the female gender where the context permits.

2. BID CONDITIONS AND RULES

2.1 GENERAL

The Bid is in line with the Municipal Finance Management Act (MFMA). Also the bid will be conducted in line with the requirements of the entity’s Supply Chain Management Policy.

2.2 CAPABILITIES AND EXPERIENCE OF BIDDERS

Bidders are required to provide any information regarded necessary to demonstrate their conformance to the criteria set out in the specifications and also any other information to demonstrate their capabilities, experience and track record.

Bidders are required to submit, together with bid documentation, the latest set of its audited annual financial statements.

2.3 QUERIES REGARDING THE BID

- 2.3.1 Any queries regarding this bid which the bidders may wish to raise, shall be submitted in writing to the officials mentioned in the bid notice.
- 2.3.2 No requests for information shall be made to any other person or place and in particular not to the existing providers of these services.

2.4 SUBMISSION OF BID

Failure to submit required registration and compliance documentation as per the list below, as well as any other required documents may result in your proposal being disqualified.

Proposals must be submitted in a sealed envelope clearly marked **“PROPOSAL FOR: Appointment Of Service Provider for the provision of banking and related services”** and must be hand delivered and deposited into the tender Box located at **Sangweni Tourism Centre, Cnr. Link Road & Ballito Drive, Ballito** and addressed to;

The Chief Executive Officer

Enterprise iLembe,

Sangweni Tourism Centre,

Cnr Link Road & Ballito Drive;

The closing date for submission of proposals is **11H00 on 18 JULY 2023**

NB: All proposals must be hand-submitted to the tender box. Incomplete, faxed, emailed and late applications/submissions **WILL NOT** be considered. Bidders using a courier service to deliver their proposals are responsible for ensuring that such documents are physically deposited into the tender box before the closing date and time.

PROPOSALS RECEIVED AFTER 11H00 ON 18 JULY 2023 WILL NOT BE ACCEPTED AND THEREFORE NOT CONSIDERED.

Enterprise iLembe does not bind itself to accepting the lowest or any of the bids received and reserves the right to accept the whole or part of the bid/proposal.

2.5 DISQUALIFICATION OF BID

The bidder who has not conformed to these rules and the instruction reflected in the official bid notice may be disqualified at the discretion of Enterprise iLembe.

2.6 VALIDITY PERIOD

The bid shall remain valid and binding for a period of 90 (Ninety) days effective from the closing date of this bid.

2.7 LEGAL ASPECTS

2.7.1 LAW

The laws of the Republic of South Africa shall be applicable to each contract created by the acceptance of a bid and each bidder shall indicate a place in the Republic and specify it in his bid as his domicilium citandi et executandi where any legal process may be served on him.

2.7.2 JURISDICTION

Each bidder shall undertake to accept the jurisdiction of the law courts of South Africa.

2.7.3 LANGUAGE OF CONTRACT

The bid documents have been drafted in English and any contract which originates from the acceptance of the bid will be compiled, interpreted and construed in English.

2.7.4 DELEGATION OF AUTHORITY

Enterprise iLembe may delegate any powers vested in them by virtue of these rules to any officer or employee of the agency.

3. BID SPECIFICATIONS

3.1 PURPOSE

The purpose of this document is to set out commercial banking service requirements to meet the needs of Enterprise iLembe.

3.2 GENERAL

Bidders must be able to demonstrate their competency to provide the commercial banking services to address the needs of Enterprise iLembe, as well as collaborating closely with the officials of the agency, in particular the Finance Department.

3.3 SALIENT FEATURES

Bidders must demonstrate the financial stability of their organization in writing and submit copies of the latest published (audited) financial statements. The following specific information should be provided if not furnished in the financial statements:

- An indication as to whether the company or the institution is listed on the Stock Exchange;
- Majority shareholders (shareholding in excess of 51%);
- Details of the organization or group structure.

3.3.1 FORM OF BID

The certificates, schedules and forms required by this bid shall be signed by the bidder in black ink. Where the space provided in the bound document is insufficient, separate schedules may be drawn up in accordance with the given formats. These schedules shall then be bound together with a suitable contents page and submitted with the bid documents. All such schedules must be signed by the bidder in black ink.

3.3.2 SIGNING OF BID

The bid must be signed by a person who is duly authorized to do so. A bid submitted by a corporation must bear the seal of the corporation, which must be attested by its secretary. Confirmation of the authorized signatory should be furnished in the format as indicated in MBD 9.

Bids submitted by joint ventures of two or more firms must be accompanied by the document of formation of the joint venture, authenticated by a notary public or other official deputed to witness sworn statements, in which is defined precisely the conditions under which the joint venture will function, its period of duration, the persons authorized to represent it and obligate it, the participation of the several firms forming the joint venture, and any other information necessary to permit a full appraisal of its functioning.

3.3.3 BID ALL-INCLUSIVE

The bidder must allow in the bid all labour, material, equipment, all obligatory taxes, all travel, accommodation and subsistence, levies and everything necessary for the execution and completion of the contract in accordance with the bid documents.

3.3.4 ALTERATIONS TO BID DOCUMENTS

No unauthorized alteration or addition shall be made to the form of bid, to the pricing schedule of services to be rendered or to any other part of the bid documents. If any such alteration or addition is made or if the pricing schedule of services to be rendered, or other schedules or certificates are not properly completed, the bidder will be disqualified. The bidder shall request the agency, at as early a date as possible during the bid stage, to clarify any point which is difficult to interpret. Should it be found that a point in question is significant; the agency will inform all bidders as early as possible.

3.3.5 OWNERSHIP AND CONFIDENTIAL NATURE OF DOCUMENTS

All documents relating to the bid shall remain the property of Enterprise iLembe and may not be reproduced, sold or otherwise disposed of. All recipients of the bid documents (whether or not a bid is submitted) shall treat the details of the documents as confidential.

3.3.6 BID ACCEPTANCE

Enterprise iLembe does not bind itself to accept the lowest or any other bid.

3.3.7 BID WITHDRAWAL OR MODIFICATION

Any bidder has the right to withdraw, modify or amend his bid after it has been delivered, provided that the request for such withdrawal, modification or correction, together with full details of such modification or correction is received at the address given for the submission of the bid in writing or by telefax before the

closing date and hour which is set for the receipt of the bids. The original bid as amended by such written or telefax communication will be considered the bidder's offer.

3.3.8 CANCELLATION OF CONTRACT

- 3.3.8.1 If the agency is satisfied that any person (being an employee, partner, director or shareholder of the bidder or a person acting on behalf of or with the knowledge of the bidder), firm or company:
- (a) is executing a contract with the agency unsatisfactorily;
 - (b) has offered, promised or given a bribe or other gift or remuneration to any officer or employee in the Public Service in connection with obtaining or executing a contract;
 - (c) has acted in a fraudulent manner or in bad faith or in any other unsatisfactory manner in obtaining a contract with any government department, provincial administration, public body, company or person, or that he has managed his affairs in such a way that he has in consequence thereof been found guilty of a criminal offence;
 - (d) has approached an officer or employee in the Public Service before or after bids have been called for, to influence the award of the contract in his favour;
 - (e) has withdrawn or amended his bid after the time set for the receipt and opening of bids;
 - (f) when advised that his bid has been accepted, has given notice of his inability to execute or sign the contract or to furnish any security required;
- 3.3.8.2 If the agency is satisfied that any person, firm or company is or was a shareholder or a director of a firm or company which, in terms of sub-rule 3.3.8.1, is one from which no bid will be favourably considered for a specified period, the government may also decide that no bid from such person, firm or company shall be favourably considered for a specified period.
- 3.3.8.3 Any restriction imposed upon any person, firm or company shall, for the purpose of this rule, apply to any other undertaking with which such person, firm or company is actively associated. The expression "person, firm or company" shall include an authorized employee or agent of such a person, firm or company.
- 3.3.8.4 Decisions of the agency in terms of sub-rule 3.3.8.1 to 3.3.8.3 and any revocation or variation of such decisions may be communicated to the Accounting Officer.

3.3.9 BID RULES ARE BINDING

The bid rules as well as the instructions given in the official bid notice shall be binding on all bidders submitting bids for the service or services stated in the bid documents.

3.4 GEOGRAPHICAL SPREAD

Bidders must provide details (written or graphical) of their representation within the jurisdiction of iLembe District indicating the following:

- The location (by village, town, or city);
- Number of branches/sub-branches; and
- Automated teller machines (ATMs) located within the boundaries of iLembe District Municipality.

The successful bidder will be required to subcontract at least 30% of the contract to the business within iLembe District Municipality.

3.5 TECHNICAL CAPABILITIES

Bidders must supply details which support their abilities in the following areas:

3.5.1 ELECTRONIC PAYMENTS/COLLECTIONS

- (a) The bidder must be able to process payments and/or collections electronically by means of a magnetic tape and possible other means e.g. data lines, from accounts held at one or more commercial banks;
- (b) The bidder must have an ACB function that directly connects to the agency (IP to IP protocol).

3.5.2 ELECTRONIC CASH MANAGEMENT

a) Account information

- i. The bidder must install and/or maintain an online electronic banking system with reliable built in security measures and procedures e.g. frequent changing of passwords;
- ii. The bidder must provide the necessary training to Enterprise iLembe staff on the use of banking system;
- iii. The bidder must indicate the ability to keep financial historical information for a minimum period of three months on the electronic banking system;
- iv. The bidder must provide an archiving facility for periods in excess of three months;
- v. The agency must be able to obtain/access the following information online:
 - Account enquiries/queries;
 - Daily access to consolidated balance information for accounts linked to the online electronic bank system;
 - Information on credit limits applicable to the linked accounts as well as utilization;
 - The bidder must indicate the ability to keep records.
- vi. An indication must be given as to whether the bidder is able to provide information that can be accessed online the same day, e.g. deposits, cheques, payments, transfers etc;

- vii. The bidder must indicate the ability to provide the sorting facility of the online electronic bank system e.g. description of transaction, date, amount, etc;
- viii. An electronic tracing facility must be available whereby the cheque process date and amount can be verified in real time and have an online photographic image of all cheques;
- ix. Reports on ACB transactions to be provided electronically on a daily basis;
- x. Online facility must provide for detailed audit trails;
- xi. Telephone assistance should be made available during office hours with regard to account enquiries.

b) Transfer of funds between banks

- i. The agency must be able to effect transfers internally between the accounts held with the bidder as well as externally from an account held with the bidder to an account with any other commercial bank through the online system;
 - ii. The date of funds transferred to third parties should be the date of the transfer regardless of their banking institution;
 - iii. The bidder must indicate the ability to provide a postdated electronic transfer system.
- c) The agency must be able to stop payments electronically;
- d) Access times (7:30-17:00) in respect of all transactions to accounts held with the bidder as well as transactions to accounts with other commercial banks must be indicated;
- e) The security aspects of the online electronic banking system must be indicated.

3.5.3 BANK STATEMENTS

- a) Electronic bank statements - the bidder must provide the agency with daily information in an electronic format of all transactions that interface with the agency's accounting systems for reconciliation purposes;
- b) The agency must be able to download bank statements electronically;
- c) Detailed bank statements charges must be supplied.

3.5.4 BUREAU SERVICE

- a) The bidder must have a bureau service which will enable the agency to send and receive payment in batch format e.g. the electronic payment of salaries and creditors;
- b) All accounts must interface electronically with the agency's Accounting System i.e. (Munsoft) on a daily and monthly (on the 1st working day of the following month) basis.

3.5.5 CARD MERCHANT SERVICES

- a) Point of sale terminals must be installed where they are required which will accept credit, debit and other cards and be linked to agency accounting system;
- b) The bidder must indicate risk and security measures in different types of cards.

3.5.6 CHEQUES

- a) All cheques must be designed to ensure that all possibilities of fraud can be avoided and prevented;

- b) The cheques must be unique for each different bank account and must adhere to the system requirements of the agency;
- c) Blank cheques and deposit books must be held for safekeeping at the bidder and must only be released or issued to authorized personnel of the agency upon request;
- d) The bidder must keep sufficient stock to ensure that cheques and deposit books are available at all times;
- e) Negotiated cheques to be stored with the bidder for a period of seven years after the expiry date of the contract;
- f) The bidder must have the ability to identify cheques that have been tampered with and fraudulently negotiated and be able to rectify such fraudulent actions at the earliest possible time;
- g) Provide a method for the withdrawing of petty cash when the cheques are crossed “not negotiable and not transferable”;
- h) Salary cheques to be made available immediately;
- i) The bidder must be a participant in the cheque verification system where lost or stolen cheques and closed accounts are automatically updated.

3.5.7 TRANSITIONAL ARRANGEMENTS AND TRAINING

- a) An indication should be given as to whether the system will operate from a stand-alone PC with a dial up connection or whether it can be accessed from the internet;
- b) An indication must be given regarding the registering of the operators and limiting their access levels on the system;
- c) Training must be provided to the officials on the electronic banking system;
- d) Immediate assistance regarding problems with the system (i.e. – call centre) must be provided.

3.5.8 GENERAL

- a) Enquiries must be dealt with within 48 hours;
- c) Overdraft facility may be considered but only if there is council resolution to this effect;
- d) The bidder must provide proof of financial stability and a positive financial position and performance;
- e) The bidder must have a sufficient branch network infrastructure throughout the district municipality;
- f) The bidder must be a member of a Clearing House (i.e. the institution must be a clearing bank);
- g) The bidder must indicate the extent to which the agency accounts will qualify for beneficial credit interest rates and must stipulate the guidelines which will be used to fix such credit interest;
- h) Compound interest method must be utilized to calculate the daily credit interest earned;
- i) Bidders should detail their experience in handling similar accounts.

ANNEXURE A – PRICING SCHEDULES

	SERVICES REQUIRED	REFERENCE TO SECTION	[YEAR 1] UNIT COST (VAT INCL)	[YEAR 2] UNIT COST (VAT INCL)	[YEAR 3] UNIT COST (VAT INCL)	[YEAR 4] UNIT COST (VAT INCL)	[YEAR 5] UNIT COST (VAT INCL)
1.	Cash deposit facility	4.1.1.					
1.1	Cash handling fee – branch	4.1.1.					
2.	Direct EFT Deposits (customer receipts)*	4.4.7.					
3.	Direct Cash Deposits (customer receipts)*	4.1.1.					
4.	Speedpoint Transactions*	4.2.5					
5.	Electronic Funds Transfer Payments (EFT) Transactions*	4.4					
6.	Fuel Cards*	4.5.1					
7.	Monthly Fixed Service Charges						
7.1	Transaction Fees						
7.2	Interest Charges (NB: indicate applicable current interest rates) (do not include this in the price calculation)						

	SERVICES REQUIRED	REFERENCE TO SECTION	[YEAR 1] UNIT COST (VAT INCL)	[YEAR 2] UNIT COST (VAT INCL)	[YEAR 3] UNIT COST (VAT INCL)	[YEAR 4] UNIT COST (VAT INCL)	[YEAR 5] UNIT COST (VAT INCL)
8.	Direct Debit Orders (outgoing / payments)*	4.4.9					
9.	Supply of pre-printed numbered deposit books	4.1					
9.1	Cash deposit errors	4.3.5					
10.	Providing copies of deposit slips/ statements	4.1					
11.	Audit confirmation letters/ certificates	4.2.1					
12.	Online bank statement request (older than 90 days)	4.2.2.					
13.	Returned/ disputed debit order	4.2.3.					
14.	<ul style="list-style-type: none"> Interest rate on net current account credit balance - relationship to prime overdraft rate (do not include this in the price calculation) 	4.2.4.					
15.	Download deposits with 10-digit account numbers into file format.	4.3					
16.	Daily and monthly cash management reports and statements	4.3.1.					
17.	Hard copies of historic information requested	4.3.3.					
18.	Downloading of electronic payments into file format	4.3.3.					

	SERVICES REQUIRED	REFERENCE TO SECTION	[YEAR 1] UNIT COST (VAT INCL)	[YEAR 2] UNIT COST (VAT INCL)	[YEAR 3] UNIT COST (VAT INCL)	[YEAR 4] UNIT COST (VAT INCL)	[YEAR 5] UNIT COST (VAT INCL)
19.	Deposit error corrections reported within 48 hours	4.3.5					
20.	On-line, real-time browsing facility	4.3.6.					
21.	Direct on-line balance enquiry	4.4.1.					
22.	Direct on-line statement enquiry	4.4.2.					
23.	Direct on-line stop payment facility	4.4.3.					
24.	Direct on-line reversal of stop payment	4.4.4.					
25.	Historic information supplied electronically	4.4.5.					
26.	Facility to download bank statements into Munsoft	4.4.6.					
27.	Audit trail of electronic transfers in/ deposits	4.4.7.					
28.	Direct on-line facility to capture bank transfers	4.4.8.					
29.	Electronic direct debit facility	4.4.9.					

	SERVICES REQUIRED	REFERENCE TO SECTION	[YEAR 1] UNIT COST (VAT INCL)	[YEAR 2] UNIT COST (VAT INCL)	[YEAR 3] UNIT COST (VAT INCL)	[YEAR 4] UNIT COST (VAT INCL)	[YEAR 5] UNIT COST (VAT INCL)
30.	Direct on-line balance enquiry	4.4.1.					
31.	Direct on-line statement enquiry	4.4.2.					
32.	Direct on-line stop payment facility	4.4.3.					
33.	Direct on-line reversal of stop payment	4.4.4.					
34.	Historic information supplied electronically	4.4.5.					
35.	Facility to download bank statements into Munsoft	4.4.6.					
36.	Audit trail of electronic transfers in/ deposits	4.4.7.					
37.	Direct on-line facility to capture bank transfers	4.4.8.					
38.	Electronic direct debit facility	4.4.9.					
39.	On line direct debit rejections.	4.4.10.					
40.	EFT payments to effect investments with financial institutions - transfer to bidders bank - transfer to Agent bank	4.6					

	SERVICES REQUIRED	REFERENCE TO SECTION	[YEAR 1] UNIT COST (VAT INCL)	[YEAR 2] UNIT COST (VAT INCL)	[YEAR 3] UNIT COST (VAT INCL)	[YEAR 4] UNIT COST (VAT INCL)	[YEAR 5] UNIT COST (VAT INCL)
41.	EFT facility to effect salary payments - transfer to Bidders bank - transfer to Agent bank - recall of transfer - late recalls - return of unpaid items - copies of payment reports - transaction tracing	4.4.11					
42.	ACB facility to effect salary payments	4.4.11					
43.	ACB recall to stop payment of salary	4.4.11					
44.	Audit trail of all unpaid salaries	4.4.12					
45.	Audit trail of EFT of direct deposits	4.4.12					

	SERVICES REQUIRED	REFERENCE TO SECTION	[YEAR 1] UNIT COST (VAT INCL)	[YEAR 2] UNIT COST (VAT INCL)	[YEAR 3] UNIT COST (VAT INCL)	[YEAR 4] UNIT COST (VAT INCL)	[YEAR 5] UNIT COST (VAT INCL)
46.	EFT service to facilitate the creation of bulk payments or collections for importing and release	4.4.12					
47.	Issuing of guarantees						
48.	Letters of credit/forward cover/foreign currency						
49.	Customer credit referencing						
50.	Economic advice/forecast						
51.	Debit/credit card vending machines						
52.	Overdraft Facility (NB: indicate applicable interest rates) (do not include this in the price calculation)						
53.	Other Fees (if any)						
	TOTAL CHARGES PER YEAR (ALL INCLUSIVE) – Interest Rates to be <u>excluded</u>						
	NB: these charges are estimates- which will be used only for the purposes of the 80/20 Price Calculation. It is understood that the total bank charges will be dependent on actual services rendered.						

ANNEXURE B – COMPULSORY INFORMATION SHEET

Name of Company: _____

Contact Person/s: _____

Contact Number/s: _____

E-mail address: _____

Details	Response (Please indicate where the information can be found in your proposal)
TOTAL ESTIMATED BANK CHARGES FOR YEARS 1-5 AS PER ANNEXURE A	Year 1 - R _____ Year 2- R _____ Year 3 - R _____ Year 4 - R _____ Year 5 - R _____ TOTAL(Years 1-5) – R _____

Above information certified correct:

Signature: _____

Date: _____

NB: By signing this annexure, the bidder accepts the clauses contained within these Terms of Reference.

MBD1: INVITATION TO BID (COMPULSORY SUBMISSION)

PART A

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF ENTERPRISE iLembe					
Bid Number	T06-2023	Closing Date		Closing Time	11h00
Description					
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT					
ENTERPRISE ILEMBE SANGWENI TOURISM CENTRE CNR. LINK ROAD & BALLITO DRIVE BALLITO 4420					
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]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE Status Level Sworn Affidavit		<input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
Are you the Accredited Representative in South Africa for the Goods /Services /Works Offered?	<input type="checkbox"/> Yes <input type="checkbox"/> No (if yes enclose proof)		Are you a Foreign Based Supplier for the Goods /Services /Works Offered?		<input type="checkbox"/> Yes <input type="checkbox"/> No (if yes, answer part B:3)
Total Number of Items Offered			Total Bid Price:		
Signature of Bidder			Date:		
Capacity under which this bid is signed:					

PART B
Terms and Conditions for Bidding

1. BID SUBMISSION:	
1.1. Bids must be delivered by the stipulated time to the correct address. Late bids will not be accepted for consideration.	
1.2. All bids must be submitted as prescribed in the terms of reference	
1.3. This bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations, 2022, the GCC contract 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)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.2. Does the entity have a branch in the RSA?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.3. Does the entity have a permanent establishment in the RSA?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.4. Does the entity have any source of income in the RSA?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.5. Is the entity liable in the RSA for any form of taxation?	<input type="checkbox"/> Yes <input type="checkbox"/> 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:

MBD 4: 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/ 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	Tax Reference 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
3.8.1	If yes, furnish particulars.		
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.		

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 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.

3.11	Are you, aware of any relationship (family, friend, other) between a 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, managers, principal 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, managers, principal 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, principal 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

Name of Bidder			
Signature		Name (print)	
Capacity		Date	

MBD 6.1

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

(delete whichever is not applicable for this tender).

- 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:

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) & \mathbf{or} & Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) \end{array}$$

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:

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) & \mathbf{or} & Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \end{array}$$

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 organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
<i>Valid B-BBEE certificate/ affidavit (Level 3 or above)</i>	n/a	10 points	n/a	

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:

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.**

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.	Yes <input type="checkbox"/>	No <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.	Yes <input type="checkbox"/>	No <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?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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?	Yes <input type="checkbox"/>	No <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?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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