



HARRY GWALA DEVELOPMENT AGENCY(PTY)LTD

2011/001221/07

Harry Gwala Farmers Market, Erf 2226
Portion 27 of the Farm Ellerton, IXOPO 3276

Website: www.hgda.co.za

INVITATION TO QUOTE

APPOINTMENT OF A TRAINING SERVICE PROVIDERS TO PROVIDE PROFESSIONAL TRAINING ON CANNABIS AND HEMP FARMING

QUOTE NO: HGDA Q0012-2023/24

Bids are hereby invited from suitably qualified service providers to quote for the “**APPOINTMENT OF A TRAINING SERVICE PROVIDERS TO PROVIDE TRAINING ON CANNABIS AND HEMP FARMING**”. The Bid will be evaluated in terms of Price and Preferential Specific goals.

AVAILABILITY OF DOCUMENTS

The Bid documents can be downloaded from the Harry Gwala Development Agency (Pty) Ltd website www.hgda.co.za at no cost.

Mandatory Returnable

Bidders must attach the mandatory returnable documents to be considered for this bid.

- Price(s) quoted must be valid for at least ninety (90) days from date of your offer.
- Price(s) quoted must be firm and must be inclusive of Vat.
- The quote must be submitted on a separate page containing the letterhead of your business.
- MBD 1, MBD 3.1, MBD 4, MBD 6.1 (must be completed to claim points), MBD 8 and MBD 9 must be completed and submitted together with your quotation.
- Valid Tax Clearance certificate and Tax compliant status with verification pin.
- Certified copy of B-BBEE certificate or Sworn Affidavit
- Central Supplier Database summary report
- Copy of Company Registration Document.
- Copies of ID for Company Directors or Members.
- Most recent municipal accounts in which the business is registered. District municipality (water and Sanitation) and Local municipality (rates, refuse and other services) or letter from traditional authority stating that you are staying in rural areas you don't pay for rates or letter from landlord stating that rates are not on your account, but you are a tenant and you also running your company in his property.

NB: No quotations will be considered from persons in the service of the state or persons who owe rates, services and taxes to any Municipality for a period longer than 90 days.

Evaluation Criteria Stage: The 80/20 preferential point system will be applied where 80 points will be allocated for price and 20 points for preferential specific goals as follows:

- Preferential Goal 1
 - Preferential Goal 2
- ❖ 80/20 Preferential Point system in terms of the 2022 Preferential system will apply and points will be awarded based on the entity's specific goals that is on ownership and RDP goal.

PREFERENCE GOAL	80/20	Documents required for verification of points claimed by tenderer
GOAL 1 - Ownership – Maximum points	10	
Business who are at least 51% owned by black person	3	ID copy of Director or CSD detailed report or CIPC Registration Certificate (Companies and Intellectual Property Commission)
Business owned less than 51% by black person	1	
Business who are at least 51% owned by black women	3	ID copy of Director or CSD detailed report or CIPC Registration Certificate (Companies and Intellectual Property Commission)
Business owned less than 51% by black women	1	
Business who are at least 51% owned by black youth.	2	ID copy of Director or CSD detailed report or CIPC Registration Certificate (Companies and Intellectual Property Commission)
Business owned less than 51% by black youth	1	
Business owned more than 51% by disabled person	2	Attach proof from a registered doctor/physician for a bidder to obtain full points
GOAL 2 – RDP – Maximum points	10	
Business falls under the SMME category – EME	3	Detailed CSD Report
Promotion of business located within Harry Gwala Development Agency	4	<ul style="list-style-type: none"> - Preferred address on detailed CSD Report - Municipal account not older than 90 days for the director. - Lease agreement and affidavit if you are leasing or - Affidavit if you are residing in rural area
Promotion of business located within KZN province.	3	<ul style="list-style-type: none"> - Preferred address on detailed CSD Report - Municipal account not older than 90 days for the director. - Lease agreement and affidavit if you are leasing or - Affidavit if you are residing in rural area
Promotion of business located in South Africa outside KZN Province	1	

Harry Gwala Development Agency (Pty) Ltd does not bind itself to accept the lowest or any bid and reserves the right to accept the Bid in whole or part, at the rates quoted.

The Agency further reserves the right not to do business with service providers who have previously failed in their commitment in the delivery of goods and services to the Agency.

The Agency further reserves the right to verify the financial capacity of prospective bidders to deliver as a means to circumvent delays in the delivery of goods post award.

CLOSING DATE AND TIME: 28 JUNE 2024 at 11h00

Bid documents must be submitted in a sealed envelope clearly marked “**APPOINTMENT OF A TRAINING SERVICE PROVIDERS TO PROVIDE TRAINING ON CANNABIS AND HEMP FARMING**” and can be dropped off in the **TENDER BOX** at **Harry Gwala Development Agency Offices, Farmers Market, Erf 2226 Portion 27, Ellerton Farm, Ixopo, 3276** by no later than **28 JUNE 2024 at 11h00**.

Late, faxed or emailed bids will not be accepted, and the Harry Gwala Development Agency reserves the right not to make an appointment. Failure to comply with the above conditions will invalidate your offer.

Technical Enquiries: Growth and Development: Ms Z Mkulisi on 082 308 6833 or email: led@hgda.co.za OR Supply Chain Management enquiries: SCM Practitioner: Ms P Sosibo (073 263 6263) or email: Phumeza.sosibo@hgda.co.za

MS A.C.R. WHYTE
CHIEF EXECUTIVE OFFICER
NOTICE NO: 30-23/24



HARRY GWALA DEVELOPMENT AGENCY(PTY) LTD
2011/001221/07

Harry Gwala Farmers Market, Erf 2226
Portion 27 of the Farm Ellerton, IXOPO 3276
Website: www.hgda.co.za

INVITATION TO QUOTE

**APPOINTMENT OF A TRAINING SERVICE PROVIDERS TO PROVIDE PROFESSIONAL
TRAINING ON CANNABIS AND HEMP FARMING**

QUOTE NO: HGDA Q0012-2023/24

NAME OF BIDDER:	
TELEPHONE/CELLPHONE NO:	
FAX NO:	
EMAIL ADDRESS	
ADDRESS:	
QUOTE SUM (ALL INCLUSIVE) (in words):	
QUOTE SUM (ALL INCLUSIVE) (numerical):	

1. BACKGROUND

Cannabis and hemp have a long history in South Africa, with indigenous communities using cannabis for medicinal, spiritual, and cultural purposes for centuries. In recent years, there has been a growing interest in the economic potential of cannabis and hemp cultivation in South Africa, driven by changing regulatory frameworks and increasing recognition of the benefits of these crops. In 2018, South Africa made a landmark decision to legalize the personal use and cultivation of cannabis for adults in private spaces, following a ruling by the Constitutional Court. This decision opened opportunities for the commercial cultivation, processing, and sale of cannabis products in the country.

Hemp, a non-intoxicating variety of the cannabis plant, has also gained attention for its industrial applications, including fiber production, construction materials, textiles, biofuels, and medicinal products. Hemp cultivation is legal in South Africa, and there is a growing interest in harnessing the economic potential of this versatile crop.

With the emergent sectors, the biggest barrier to entry is the lack of sector knowledge and training. It is in consideration of the above premise that the Harry Gwala Development Agency intends to educate the communities within the Harry Gwala District jurisdiction to generate and increase awareness by providing education and training to enable the community participation in economic opportunities presented by cannabis and hemp.

2. PURPOSE OF THE BRIEF

To provide training on Cannabis and Hemp Farming which seeks to capacitate growers, farmers, businesses within the agricultural space with education and training on the new sectors of the economy which is Cannabis and Hemp.

3. OBJECTIVES OF THE TRAINING PROGRAMME

The objectives of the training programme are designed to equip participants with the knowledge, skills, and best practices necessary to engage in successful and sustainable cultivation practices. The training programme aims to address various aspects of cannabis and hemp cultivation, from planting and harvesting to processing and compliance with legal and regulatory frameworks with the common training objectives being:

3.1. Educate on Cultivation Practices

- 3.1.1. Provide participants with a comprehensive understanding of cultivation practices specific to cannabis and hemp, including planting, irrigation, fertilization, pest management, and harvesting techniques.

3.2. Promote Compliance and Legal Understanding

- 3.2.1 Educate participants on the legal framework governing cannabis and hemp cultivation, including licensing requirements, regulatory compliance, quality control measures, and adherence to industry standards.

3.3. Enhance Product Quality

- 3.3.1 Teach participants about factors that influence product quality, such as genetics, environmental conditions, post-harvest handling, and processing methods. Emphasize the importance of quality assurance and control in cannabis and hemp cultivation.

3.4. Improve Inclusivity and Sustainability Practices

- 3.4.1 Promote sustainable agricultural practices in cannabis and hemp cultivation, such as water conservation, soil health management, organic farming methods, and environmental stewardship. Encourage participants to adopt eco-friendly and resource-efficient approaches.

3.5. Increase Efficiency and Productivity

- 3.5.1 Equip participants with techniques to optimize crop yields, increase efficiency in cultivation operations, minimize waste, and improve overall productivity in cannabis and hemp farming.

3.6. Enhance Safety and Compliance

- 3.6.1 Educate participants on safety protocols, occupational health guidelines, risk management practices, and compliance with health and safety regulations relevant to cannabis and hemp cultivation. Emphasize the importance of creating a safe work environment for all stakeholders.

3.7. Support Market Knowledge and Industry Trends

- 3.7.1 Provide insights into market trends, consumer preferences, product demand, value-added opportunities, and potential market channels for cannabis and hemp products. Help participants understand market dynamics and position themselves competitively in the industry.

3.8. Foster Innovation and Research

- 3.8.1 Encourage participants to explore innovation in cultivation techniques, product development, value-added processing, and research collaborations.

3.9. Empower Participants for Success

- 3.9.1 Empower participants with the knowledge, skills, and confidence to succeed in cannabis and hemp cultivation, whether as small-scale farmers, entrepreneurs, or community members. By leveraging the economic potential of cannabis and hemp, fostering community participation, and promoting sustainable practices, Harry Gwala District can harness the benefits of these crops to drive economic development, create opportunities for local communities, and contribute to social progress and well-being. Collaborative efforts between government, industry stakeholders, communities, and civil society can help unlock the full potential of cannabis and hemp in the district.

4. OBJECTIVES OF THE TRAINING PROGRAMME

The objective is to provide education and training on the following:

- 4.1. Understanding Medical Cannabis & Hemp.
- 4.2. How to Cultivate, Process Medical Cannabis and Hemp.
- 4.3. Access to Global Markets/Oftakes and Contract Farming.
- 4.4. Understanding Regulation for Medical Cannabis and Hemp

5. DURATION OF THE TRAINING

The duration of the training is anticipated to take four (4) days.

6. SPECIALISATION DETAILS

6.1. Training material development

6.1.1. Provide training participants with appropriate learning materials (print and distribute learning materials) for the above training areas.

6.2. Training efficacy and evidence

6.1.2. Submit registers for all trainings conducted.

6.1.3. Prepare and submit training reports to HGDA following the end of training.

6.1.4. Provide a report that demonstrates the efficacy and impact of the training by attributing and linking the training results to training:

3. Experience of the preferred training service provider

It is envisaged that the prospective training provider will have experience in the following areas:

3.4.1. Facilitation and interaction with relevant stakeholders (public and private)

3.4.2. In-depth understanding and sound knowledge of the sector.

3.4.3. Be conversant with local languages in line with the District Municipality and be able to accommodate local languages.

3.4.4. Project and Time Management skills

6.5. Timelines

6.5.1. The Training service provider will be expected to commence work on this assignment immediately following appointment. The training should be completed as per the prescribed duration.

6.6. Compulsory Application Process

6.6.1. The TSP should provide a training plan that demonstrates how the training will be realised within the prescribed timeframe.

6.6.2. The TSP must provide a breakdown of professional fees / cost structure for services to be rendered.

6.2.3. Only submissions that meet the technical specifications in all aspects as stipulated in these terms of reference will be considered.

7. EVALUATION CRITERIA

Evaluation will be based on price and preference specific goals.

8. TERMS AND CONDITIONS OF THE PROPOSAL

Appointment will be made in terms of the Harry Gwala Development Agency's Procurement Policy.

9. NON-APPOINTMENT

The Harry Gwala Development Agency reserves the right not to make an appointment should it find that bidding parties do not meet the specified criteria.

10. COMPLETION

Projects will not be paid for unless the required services have been correctly delivered.

11. REPORTING AND ACCOUNTABILITY

The service provider will report to the Harry Gwala Development Agency (Pty) Ltd, office of the Chief Executive Officer or her designated official.

12. NEGOTIATING A FAIR MARKET PRICE

The HGDA reserves the right to enter into negotiations with the preferred bidders for a fair market price if on its assessment is of the view that the highest scoring bidder is charging prices higher than the fair market price.

PART A

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE HARRY GWALA DEVELOPMENT AGENCY

BID NUMBER:	HGDA Q0012-2023/24	CLOSING DATE:	28/06/2024	CLOSING TIME:	11H00
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DESCRIPTION **APPOINTMENT OF A TRAINING SERVICE PROVIDERS TO PROVIDE PROFESSIONAL TRAINING ON CANNABIS AND HEMP FARMING**

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 (STREET ADDRESS

HARRY GWALA FARMERS MARKET, ERF 2226
 PORTION 27 OF THE FARM ELLERTON
 IXOPO, 3276

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 EARN POINTS FOR PREFERENCE SPECIFIC GOALS]

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]
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TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
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SIGNATURE OF BIDDER	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	Supply Chain Management	CONTACT PERSON	Ms Z Mkulisi
CONTACT PERSON	Ms P Sosibo	TELEPHONE NUMBER	082 308 6833
TELEPHONE NUMBER	073 263 6263	FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	led@hgda.co.za
E-MAIL ADDRESS	phumeza.sosibo@hgda.co.za		

**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 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, 2017, 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)?	<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 WILL 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:

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

DESCRIPTION	QUANTITY	AMOUNT
<div style="border: 1px solid black; border-radius: 15px; width: 400px; height: 100px; margin: 20px auto; text-align: center; color: lightgray; font-size: 24px;"> COMPANY STAMP </div> <div style="text-align: center; color: blue; font-weight: bold; margin-top: 20px;"> COMPANY STAMP </div>		
	SUB-TOTAL	
	VAT (15%)	
	TOTAL	

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

** "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

CONDITIONS OF TENDER

- Price(s) quoted must be valid for at least ninety (90) days from date of offer for evaluation purposes.
- Price(s) quoted must be firm and include VAT.
- Tenderers original valid tax clearance certificate must be attached.
- Tender original or certified B-BBEE Certificate must be attached to the document.
- Tender documents signed by a person who does not have authority to sign will be disqualified.
- Tenderers who did not complete the compulsory questionnaire, who abuse the employer's supply chain management system will not be conceded.
- Non-collusion affidavit to be executed by bidder and submitted with the bid.

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 / shareholder’s 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.

.....

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, 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, 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

(Delete whichever is not applicable for this tender).

- The applicable preference point system for this tender is the **90/10** preference point system.
- The applicable preference point system for this tender is the **80/20** preference point system.
-
- Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

- 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:

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right) \quad \text{or} \quad Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

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:

$$Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$$

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 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 (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
GOAL 1 - Ownership – Maximum points	10	
Business who are at least 51% owned by black person	3	
Business owned less than 51% by black person	1	
Business who are at least 51% owned by black women	3	
Business owned less than 51% by black women	1	
Business who are at least 51% by black youth	2	
Business owned less than 51% by black youth	1	
Business owned more than 51% by disabled person	2	
GOAL 2 – RDP – Maximum points	10	
Business falls under the SMME category – EME	3	
Promotion of business located within Harry Gwala District	4	
Promotion of business located within KZN province.	3	
Promotion of business located in South Africa outside KZN Province	1	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM [TICK APPLICABLE BOX]

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

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.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury’s website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <input type="checkbox"/>
4.1.1	<p>If so, furnish particulars:</p>		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury’s website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <input type="checkbox"/>	<p>No</p> <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:		
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 <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.

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