



# **TERMS OF REFERENCE**

## **REQUEST FOR PROPOSALS FOR APPOINTMENT OF THE INTERNET SERVICE PROVIDER**

**TENDER: ELRC-T05 (2022/23)**

# **APPOINTMENT OF INTERNET SERVICE PROVIDER: ELRCT05 (2022/23)**

## **1. Purpose**

- a) The main purpose of the service provider is to provide internet connectivity solutions to the Council.

## **2. Background**

### **2.1. Internet Connectivity**

- a) The Education Labour Relations Council (ELRC) is a statutory council for Public Sector Educators. The ELRC is a bargaining Council that is established in terms of the section 37 (2) of the Labour Relations Act No. 66 of 1995.
- b) The ELRC is headquartered in Centurion and has offices in all the nine Provinces.
- c) The Council serves educators in the public education sector, specifically those employed in terms of the Employment of Educators Act 76 of 1998.
- d) The Council also serves the learners of this country by effectively resolving disputes in public education that involve the child as victim or witness and therefore comply with Section 28 of the Constitution of South Africa, which provides that the child's rights is of paramount importance in every matter concerning a child.

## **3. Technical Specification**

### **3.1. Internet Connectivity**

- a) The Council requires an internet connectivity for Head Office (Centurion) and all nine (9) provincial office. The duration will be as follows:
  - Head office and six (6) Provincial branches for 36 months.
  - Other three (3) provinces for 18 months.The requirements for all office will be the same as outlined herein.
- b) Wide Area Network (WAN), the ideal Council technology architecture defined in the ICT Strategy requires the implementation of a stable, reliable, always available, fast wide area network that will connect the different offices of ELRC to the ICT services and applications at Head Office.
- c) Dedicated uncapped internet access fiber line 100MB for head office.
- d) 10MB fiber link to connect 9 (9) Provincial offices to head office.
- e) Supply of perimeter firewall with secured VPN (preferably FortiGate)
- f) The prioritization of network traffic according to Council's business requirements.
- g) Stable and reliable Internet connection:  $\geq 99,99\%$
- h) Monthly reporting on all links

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### **4. Expertise and Documentation Required**

- a) During the evaluation of the proposals, The ELRC will, *inter alia*, consider the following experience and credentials on duly submitted; completed and signed quotes:
- Qualifications of team members in terms of years of experience in executing/ rendering the service;
  - Minimum 5 years' experience in the provision internet solutions
  - General approach, planned methodology and proposed activities towards the undertaking of services to be provided;
  - Costing structure- The pricing should adhere to the following format:
    - a) Contract value for 36 months for head office and 6 provinces**
    - b) Contract value for 18 months for three provinces.**
    - c) Billing information, (monthly invoice amount)**
  - Capacity/resourcefulness on the services to be provided.

### **5. Duration of Appointment**

- a) The contract solution period will be for a period of 36 months for head office and 6 provinces.
- b) The contract solution period will be for a period of 18 months for 3 provinces.

### **6. Special Provisions of the contract:**

- a) The quoted total cost of the service must be clearly indicated.
- b) The service and implementation plan must be included.
- c) The ELRC reserves the right to accept, in part or whole, the quotation or to reject the quotation.
- d) Those who fail to achieve a minimum score of 70% of the functionality score will be disqualified and will not be considered for further evaluation.
- e) The successful bidder shall enter into a contract in writing with the ELRC. Any existing contract between third party/parties shall bear no force; unless declared upfront and in writing; and agreed to in writing between the successful bidder and the ELRC.

### **7. Documents required to be completed, signed and submitted**

- a) Proposal should include all information contained in the terms of reference and used as a basis for the formulation of quotations and preparation of cost estimates.
- b) A perspective bidder must have a minimum of 5 years' experience in providing Internet Services to reputable public and private sector organisation.

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- c) Provide a certification (Issued by ICASA or Department of Communication) as a valid internet service provider in South Africa
- d) All forms attached thereto must be duly and comprehensively completed and submitted, with specific reference to:
  - Invitation to Bid Part A
  - SBD 3.1
  - Preference points claims Forms (SBD 6.1 with a certified copy BBBEE Certificate or Original Affidavit) **(NO COPY)**
  - SBD 4
  - Valid Tax Compliance Pin
  - CIPC registration documents.
  - ID Copies of directors (certified within 3 months)

### **7. 1 Elimination criteria**

- Failure to submit any document listed under paragraph 7 (c) and (d) and above will result in disqualification.
- Bidder not meeting the minimum 5 years requirement will also be eliminated.

### **8. Payment Conditions**

- a) All claims for payment shall be submitted to the ELRC on services rendered by the successful service provider. Payment will be made within 30 days following receipt of an invoice or as per the Service Level Agreement.

### **9.Evaluation**

- a) The ELRC will use the information in the duly completed bidding documents submitted to evaluate each bid against the criteria given.
- b) Qualifying bidders will be evaluated first on functionality and then on price including BBBEE. Bidders that scores 70% and above will be evaluated further as follows:
  - All quotations received will be evaluated on the **80/20-point scoring basis**.
  - The **80** points will be for Price and **20** points are for Broad Based Black Economic Empowerment (BBBEE) for attaining the BBBEE Status.
  - Submit VALID Original or Certified copies of BEE certificate or Original Sworn affidavit.
  - IF YOU ARE VAT REGISTERED- QUOTE MUST INCLUDE VAT.)
- c). The Bidders must provide a quotation that is valid for 90 days.
- d) The following criteria will be used as depicted in the table below:

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**EVALUATION CRITERIA**

No.	Criteria	Weight
	<p align="center"><b>Company History</b></p> <p>Company Experience in providing internet connectivity installation and configurations. Years in existence and operation. Facilities and support structures in providing such services should be indicated.</p>	10
	National Footprints (Proof of offices in all provinces)	5
2	<p align="center"><b>Methodology</b></p> <p>•Network Architecture design showing connection from Internet Service Provider to head office and connection form nine Provinces including the bandwidth speed with routers and firewall</p>	50
3	<p align="center"><b>Resources and Capacity</b></p> <p align="center"><b>Experience of the Project Team Leader</b> <i>(Experience in providing Internet Service)</i></p> <p>Skills and Expertise must be indicated including years of experience. Provide network certification of the proposed technology e.g CISCO, Huawei etc</p> <p><b>CV's MUST BE ATTACHED</b></p>	10
	<p align="center"><b>Experience of the Project Team</b> <i>(Experience in ISP firewall plus dedicated account manager)</i></p> <p>Indicate team associated with this project and their skills. Provide certification of the proposed firewall technology. E.g Cisco, Fortigate etc</p> <p><b>CV's MUST BE ATTACHED</b></p>	10
4	The bidders must have verifiable experience with contactable references on the provision of similar service for 3 organisations in the public or private sectors. Provide 3 reference letters not older than 12 months.	15
<b>Total</b>		<b>100</b>

- **NB:** Any bidder failing to achieve a minimum score of 70% of the evaluation criteria will be eliminated from further evaluation.

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### **10. Submission Requirement**

- a) Responses to this RFP must be submitted between **08h00 and 15h00 (Monday to Friday, excluding public holidays)**;  
**NB: No briefing session.**
- b) On the closing date proposals must be submitted before **11h00 am**.
- c) Service providers must submit five (5) hardcopies of the technical response as well as five (5) hardcopies of the financial proposal.
- d) The filing of the proposals must follow the sequence of the evaluation criteria.
- e) One hardcopy must be the original submission, clearly marked "**Original**" and the remaining hardcopies can be copied versions of the original.
- f) Service providers should take particular care to ensure that there are no discrepancies on hardcopy submissions of the proposed solution.
- g) Responses to this RFP must follow a two-envelope approach where service providers' pricing and technical response must be submitted in separate sealed envelopes. The copies must be bundled together and submitted as a single pack and clearly marked indicating the contents of the envelope as well as the BID number.
- h) Each individual envelope must be clearly marked with the following information:
  - Name of the RFP
  - RFP Number
  - ORIGINAL or COPY 1 or COPY 2 etc.
  - Return address label indicating the name and address of the Service Provider. Submissions that are faxed, sent via telex, and/ or electronic mail delivery will not be accepted.

### **12. Contact person for enquiries**

All enquiries related to this bid call must be forwarded to: [Tenders@elrc.org.za](mailto:Tenders@elrc.org.za)

Not later than the 28<sup>th</sup> of February 2023 (No enquiries will be attended to after this date)

Queries will be consolidated and published on the Website.

**NB: Any changes, Cancellation and Award will be also place on the Website.**

### **12. Closing Date and Time**

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- The closing date for the submission of bids is 14 March 2023 Time:11-00am (No late bids will be accepted)

13. Bids should be **Hand delivered** at the below address:

The Education Labour Relations Council  
261 West Avenue  
Centurion  
Pretoria  
(Opposite Gautrain Station)

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**PART A**

**INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (EDUCATION LABOUR RELATIONS COUNCIL)</b>				
BID NUMBER:		CLOSING DATE:		CLOSING TIME:
DESCRIPTION				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>				

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)


**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				
	TCS PIN:		<b>OR</b>	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
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?				
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX	<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)		
	<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)		
	<input type="checkbox"/>	A REGISTERED AUDITOR		
		NAME:		



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<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT(FOR EMEs&amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>			
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ANSWER PART B:3 BELOW ]
SIGNATURE OF BIDDER	.....	DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)			
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE (ALL INCLUSIVE)	
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>		<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>	
DEPARTMENT/ PUBLIC ENTITY		CONTACT PERSON	
CONTACT PERSON		TELEPHONE NUMBER	
TELEPHONE NUMBER		FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	
E-MAIL ADDRESS			

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

<b>1. BID SUBMISSION:</b>	
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.	BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: ( BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
1.4.	WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
1.5.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) 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.
2.3	BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
2.4	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
2.5	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD Printout from CSD indicating compliance must be provided).
<b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>	
3.1.	IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.2.	DOES THE BIDDER HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.3.	DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.4.	DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? <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 OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE 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.**

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SBD 3.1

**PRICING SCHEDULE – FIRM PRICES (PURCHASES)**

**NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

**IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**

Name of bidder.....	Bid number.....
Closing Time 11:00	Closing date.....

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
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- Required by: .....
- At: .....
- Brand and model .....
- Country of origin .....
- Does the offer comply with the specification(s)? \*YES/NO
- If not to specification, indicate deviation(s) .....
- Period required for delivery .....
- \*Delivery: Firm/not firm
- Delivery basis .....

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.

\*Delete if not applicable

**BIDDER'S DISCLOSURE**

**1. PURPOSE OF THE FORM**

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

**2. Bidder's declaration**

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

<b>Full Name</b>	<b>Identity Number</b>	<b>Name of institution</b>	<b>State</b>

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

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<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

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.....  
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....  
.....

**3 DECLARATION**

I, \_\_\_\_\_ the \_\_\_\_\_ undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 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

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<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....	.....
Signature	Date
.....	.....
Position	Name of bidder

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

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

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

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**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to all bids:

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

1.2

- a) The value of this bid is estimated to **exceed/not exceed** R50 000 000 (all applicable taxes included) and therefore the **.....** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

1.4 The maximum points for this bid are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor

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together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

## **2. DEFINITIONS**

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



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### **3. POINTS AWARDED FOR PRICE**

#### **3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS**

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

**80/20**

**or**

**90/10**

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

Where

$P_s$  = Points scored for price of bid under consideration

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

### **4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR**

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

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (90/10 system)</b>	<b>Number of points (80/20 system)</b>
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

### **5. BID DECLARATION**

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

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

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)

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(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**7. SUB-CONTRACTING**

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

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE  
*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

<b>Designated Group: An EME or QSE which is at last 51% owned by:</b>	<b>EME</b> √	<b>QSE</b> √
<b>Black people</b>		
<b>Black people who are youth</b>		
<b>Black people who are women</b>		
<b>Black people with disabilities</b>		
<b>Black people living in rural or underdeveloped areas or townships</b>		
<b>Cooperative owned by black people</b>		
<b>Black people who are military veterans</b>		
<b>OR</b>		
<b>Any EME</b>		
<b>Any QSE</b>		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

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- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

**8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

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

**8.6 COMPANY CLASSIFICATION**

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

**8.8** I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;

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- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES	
1.	.....
2.	.....

.....	
SIGNATURE(S) OF BIDDERS(S)	
DATE:	.....
ADDRESS	.....
	.....
	.....