



**BID NUMBER:CATHS/ICT-IS/017/2017**

**TERMS OF REFERENCE (TOR)**

**INFORMATION TECHNOLOGY INFRASTRUCTURE  
MAINTENANCE AND SUPPORT SERVICES**

**[Short description of services to be rendered]**

The CATHSSETA would like to appoint accredited service providers to deliver the following:

1. IT Infrastructure maintenance and support services
  - Maintain and Support IT infrastructure
    - Servers
    - Network
    - Datacentre
    - IT Security
  - Enhance IT infrastructure as and when the need required
  - Design, implement and maintain Business Intelligence (BI) tool for enterprise data analytics and reporting
  - Provide desktop and helpdesk support for about 120 users in Head Office and 5 regional offices
  - Provide Email Security Recovery services
  - Optimise the server farm through virtualisation
  - Provide hosting, maintenance and support of the CATHSSETA website

**1. Background to CATHSSETA**

The Cultural, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority (CATHSSETA), is a statutory body established in terms of the Skills Development Act, No. 97 of 1998. CATHSSETA's mandate is to implement the National Skills Development Objectives as per the agreement with the National Department of Higher Education and Training (DHET).

As guided by its mandate, the CATHSSETA is as such, an agent of transformation by supporting SMMEs within its Sectors.

**2. Overall objective**

1. The objective is to provide adequate IT services to CATHSSETA business to ensure that business operations are efficient and cost effective.

**3. Contract period**

24 months (commencing in April 2018)

**4. Indication if the quote will be evaluated on functionality as well as minimum acceptable qualifying score**

Yes the bid will be evaluated on functionality and bidders require a minimum of 70 out of 100 points allocated for professional ability. Bidders will be evaluated in terms of the gatekeeper/minimum requirements. Bidders who do not fulfill all the requirements or do not submit the required documents will be disqualified. Those who fulfill all requirements or have submitted the required documents will be further evaluated on critical requirements

**5. Indication if the bid will be evaluated related to local production and contents as well as the minimum thresholds applicable to local production and contents**

Yes

**6. Detailed scope of services to be rendered by the service provider**

Which services are required (detail);

CATHSSETA is seeking to appoint a suitable service provider with applicable expertise in deployment, optimisation, maintenance and support of IT Infrastructure with the capability to enhance the infrastructure as and when required.

The scope of work is:

- a) The service provider will maintain and support CATHSSETA Windows based environment.
- b) The service provider must have capability to redesign and redeploy as and when required.
- c) The service provider will be required to maintain and support of the following areas:
  - i. Windows Server Environment
    - (a) File server
    - (b) Domain control and Active Directory services
    - (c) Email service
    - (d) Storage
    - (e) Datacentre facility and environment
  - ii. IT Security:
    - (a) Perimeter Protection Service
    - (b) Antivirus
    - (c) SSL certificates
    - (d) Patch Management System
    - (e) Backup and Disaster Recovery
    - (f) Mimecast Email Security Recovery Services
    - (g) Software Licences
  - iii. Local Area Network
    - (a) Configuration, maintenance and support Cisco switches
    - (b) Configuration, maintenance and support of Wi-Fi Access Points
    - (c) Maintenance and Installation of Network Points
  - iv. Helpdesk Support
    - (a) Service provider is expected to provide dedicated Helpdesk Function that will allow for receiving, recording and resolution of all ICT related service requests.
    - (b) The Service Provider will be expected to implement its own Helpdesk Software System that is in line with the current technological trends, including the following features;
      - (i) Helpdesk (Call logging, escalations and reporting etc.)
      - (ii) Software Asset Management

	<ul style="list-style-type: none"> <li>(iii) IT Audit</li> <li>(iv) Remote Desktop Connection</li> <li>(v) Desktop Support</li> <li>(c) Onsite availability <ul style="list-style-type: none"> <li>(i) Head Office (five days a week)</li> <li>(ii) Five Regional Offices (one day a week per office)</li> </ul> </li> <li>(d) The service provider is expected to be available after hours, on standby and to provide remote support as when required</li> <li>(e) Service provider is expected to provide desktop support service that will diagnose, troubleshoot and resolve all desktop calls i.e. printers, software applications, network points, wireless devices etc.</li> </ul> <p>v. Virtualisation</p> <ul style="list-style-type: none"> <li>(a) Optimise the environment through virtualisation</li> <li>(b) Cater for failover in the event of a VM host failure.</li> <li>(c) Replicate the server farm to the Disaster Recovery site.</li> <li>(d) Provide different DRP options.</li> <li>(e) Cater for growth.</li> <li>(f) Demonstrate performance, scalability and security.</li> <li>(g) Synchronise solution with the Disaster Recovery site.</li> <li>(h) Ensure that the solution does not put unnecessary load on the existing bandwidth.</li> <li>(i) Test the disaster recovery process.</li> <li>(j) Perform load test.</li> <li>(k) Perform a Proof of Concept.</li> </ul> <p>vii. Website Hosting, Maintenance and Support</p> <p>The bidder is expected to host, maintain and support the CATHSSETA website. The Service Provider must provide CATHSSETA with the following:</p> <ul style="list-style-type: none"> <li>(a) Design the web systems, including database, web page and graphic elements</li> <li>(b) Create and develop graphic design elements based on agreed specification</li> <li>(c) Develop stylesheets to ensure a standardised look and feel throughout the website</li> <li>(d) Migrate the website from where it is currently hosted.</li> <li>(e) +Website Hosting</li> </ul>
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- (f) 99.9 % uptime.
- (g) Proactive Traffic Management to ensure optimal performance
- (h) Website Maintenance
- (i) The Service provider shall be responsible for the content updates
- (j) The Service provider shall maintain full backup of the website throughout the duration of the contract.
- (k) The backup, code and source files must be delivered in full to client on termination of the contract.
- (l) The Service provider shall have a proactive testing system for health checks.
- (m) Interface with existing systems
- (n) Provide the ability to search information from other systems and display it through the website

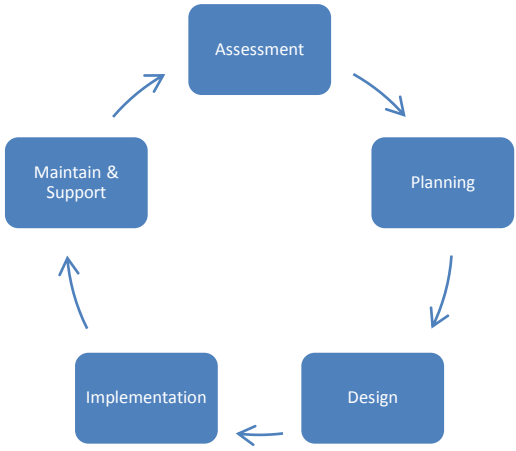
viii. Business Intelligence Tool

- a. The service provider is expected to design, develop, maintain and support the BI tool in accordance with business requirements. The BI will need to provide the following features:
  - Data Analytics
  - Integrated Reporting
  - Management Dashboard
- b. The service provider will be required to train CATHSSETA personnel on new systems.
- c. The service provider will be required to develop and maintain IT processes, procedures, policies in accordance with industry best practices and standards.
- d. The software licenses and hardware for the above services will be procured and owned by CATHSSETA.

ix. Desktop Alert Application

- a. Instant delivery to mass users
- b. Guaranteed delivery
- c. Avoidance of spam and junk mail
- d. Monitoring of connected users
- e. Security
- f. Closed 1to many relationship
- g. 128 bit encryption
- h. Ease of use
- i. High visibility / conversion
- j. Acknowledgement response
- k. Reporting on end-to-end processes

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Possible phases and how the project will progress from one phase to another;	 <pre> graph TD     Assessment --&gt; Planning     Planning --&gt; Design     Design --&gt; Implementation     Implementation --&gt; Maintain_Support[Maintain &amp; Support]     Maintain_Support --&gt; Assessment   </pre>
Detailed project implementation plan and methodology;	To be submitted by the Service Provider as per the scope of services above
Milestones and date of completion of service.	Detailed milestones to be communicated with the project plan.
Critical and Minimum performance areas related to that services;	Deploy and maintain: <ol style="list-style-type: none"> <li>i. Windows Server Environment</li> <li>ii. IT Security</li> <li>iii. Local Area Network</li> <li>vi. Helpdesk Support</li> <li>vii. Desktop Support</li> <li>viii. Virtualisation</li> <li>iv. Website Hosting, Maintenance and Support</li> <li>v. Business Intelligence Tool</li> <li>vi. Desktop alert Application</li> </ol>
Responsibilities of the service provider regarding safety and environment impact;	The service provider must ensure at all times that safety and security is taken into consideration during planning, development, execution and maintenance phases of the project.
Other stipulations	N/A

**7. Details of CATHSSETA role and functions in the service/project**

The CATHSSETA IT Unit will; <ul style="list-style-type: none"> <li>• oversee the contract;</li> <li>• monitoring and evaluation of the SLA</li> </ul>
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**8. Competence and expertise requirements**

The service provider should also meet the following requirements:

- The appointed service provider must have capacity and resources to successfully service the contract.
- The appointed service provider must ensure that the required workplace activities are performed in accordance with IT industry best practises and standards
- The appointed service provider must train CATHSSETA staff when need arises on IT systems under the contract.

**Performance Capabilities**

The service provider must provide proof that they are capable of executing the required services:

- The service provider must have provided similar service to more than three organizations (Attach reference letters)
- The service provider must have qualified personnel to provide the services (attach CVs of personnel)

**9. QUALIFICATION AND CRITICAL REQUIREMENT**

**Minimum requirements for short-listing**

- Provide and attach a valid and Original Tax Clearance Certificate
- Bid document must be completed in full and sign all declaration of interest
- Provide and attach a copy of Company Registration Certificate
- Your company must initial all pages of the SBD forms, bids must be submitted as ONE (1) original and (4) copies
- The company historical information relating to Business Strategies experience
- The company must provide a company profile, for consortium/joint ventures each member must submit a company profile
- Minimum of 3 Written Testimonials from Clients
- Qualifications and CVs of Key staff to be used on this project
- Methodology and Project Approach
- Cancelled Cheque or letter from bank confirming banking details

**10. Monitoring and report requirements after contract is signed**

- The monitoring and evaluation of SLA
- Generate monthly SLA reports (minimum) as per the scope of services

**11. Price specification/ requirements**

Firm price required

**12. Requirements regarding pre-bid meeting**

Compulsory briefing session

<b>13. Validity period</b>
Validity period: 90 days. The Bidder is required to confirm that it will hold its proposal valid for 90 days from the closing date of the submission of proposals, during which time it will maintain without change, the personnel proposed for the services together with their proposed rates.
<b>14. Available data/information to the potential supplier relevant to this bid</b>
N/A
<b>15. Transfer of knowledge and/ training</b>
Yes

<b>16. The following bid process will be followed</b>	
<b>Description</b>	<b>Due Date</b>
Opening of bid	02 February 2018
Compulsory Briefing Session	06 February 2018 at 11:00am (CATHSSETA Offices in 01 Newton Avenue, Killarney, Johannesburg)
Closing date	06 March 2018 at 11:00am

<b>17. Evaluation process</b>	
<b>Bid evaluation process if functionality/local content production is stipulated</b>	<b>Bid evaluation process if functionality is not an requirement</b>
<p>All bids duly lodged will be examined to determine compliance with bidding requirements and conditions.</p> <p><b>Bids that do not meet the minimum qualifying score for functionality/ or minimum stipulated threshold for local content or production will be eliminated from further evaluation.</b></p> <p>The responsive proposals will then be evaluated further based on the 80/20 preference point system in terms of the PPPFA Act and its regulations 2017.(See SBD 6.1)</p> <p>The contract will be awarded to the bid proposal that scored the highest total number of points.</p>	<p>All bids duly lodged will be examined to determine compliance with bidding requirements/ specifications and other conditions.</p> <p>The responsive proposals will then be evaluated further based on the 80/20 preference point system in terms of the PPPFA Act and its regulations 2017.(See SBD 6.1)</p> <p>The contract will be awarded to the bid proposal that scored the highest total number of points.</p>



<b>18.Evaluation criteria that will be used to evaluate functionality</b>		
<b>Evaluation criteria</b>	<b>Sub evaluation criteria</b>	<b>Points allocation for sub-evaluation criteria</b>
Experience in similar projects (At least 5 signed letters to be submitted from companies where similar service has been conducted)	<b>Provision of;</b>	<b>Total Points 20</b>
	• 1 letter	1
	• 2 letters	5
	• 3 letters	3
	• 4 letters	15
	• 5 letters	20
Methodology and Plan (Comprehensive proposal to deliver the scope of work required. Detailed maintenance and support plan)	• A methodology and plan is fully complete and displays detailed costing	40
	• A Methodology and plan provided is complete and contains some costing	20
	• A very vague methodology and plan with no costing	5
Specialist Expertise and Experienced Team (Detailed CV's, qualification and copies of certificates of team members that will be directly allocated to CATHSSETA must be submitted)	• 6 – 8 years+ Team Leader	40
	• 3 – 5 years+ Team Leader	20
	• 1-2 years+ Team Leader	5
<b>Indicate the minimum qualifying score for functionality and motivate decision</b>		
70 out of 100		
<b>19.Additional Bid requirements if an consortium/ joint venture/ trusts is submitting a bid proposal</b>		
N/A		

<b>20. General Bid administrative information</b>
The completed response and submissions must be returned to –  CATHSSETA, 01 Newtown Avenue,  Killarney

Attention: Supply Chain Office

Bid proposals must consist of at least **five (5)** hardcopies and **one** electronic copy (CD).

Incomplete submissions, including insufficient numbers of printed copies or electronic copies **may** result in disqualification or will negatively impact scoring during evaluation process.

E-mail or fax proposals are **not** acceptable.

Questions for clarification of issues will be considered by the CATHSSETA up to the close of business **72 hours** before the closing date and time. No verbal requests for information or clarification will be accepted.

All documentation and responses will be supplied and exchanged utilising standard Microsoft Office (Word, Excel and PowerPoint) products.

Any attempt to gain information in a manner deemed to be fraudulent or disadvantageous to other respondents or any attempt to influence the outcome of the response evaluation will result in immediate disqualification from the bid process.

The SBD 1 "Invitation to Bid" must be completed and attached as the front sheet to the response and any other separate submissions.

Documents must be submitted in the following order:

Bidding documents, *viz*

- Invitation to bid; (SBD 1)
- Tax clearance certificate;
- Pricing schedule(s);

- Technical Specification(s)/ Technical proposal based on TOR. The technical proposal should address the following content and if applicable the proposal must adhere to the sequence indicated below:
  - **Background information of service provider/Joint venture/Consortium and of any sub contractors.**
    - Executive Summary of proposal
    - Service provider Profile / Management structure
    - B-BBEE status level.
  - **Proposal regarding the scope of services to be rendered**
    - Approach, Plan and Time Lines
    - Project Organisation and logistical arrangements
    - Methodology to ensure successful completion of contract
    - Business arrangement approach
    - ✓ An overview of the proposed business arrangement;
    - ✓ How CATHSSETA and the service provider will manage risks and realise benefits;
  - **Information and evidence to address the evaluation criteria set in the particular bid documents:**
    - Proof of Financial Stability
    - Proven Credentials and Team Expertise
    - A detail of any professional associations the respondents belongs to and indicate the length of membership.
    - Performance capabilities
    - Performance abilities relevant to the scope of services to be rendered
    - Senior Management Experience
    - Reference sites and contact details where a project of this nature was conducted
    - Major client profile / including government
- Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011; (SBD 6.1)
- Declaration certificate for local production and content (SBD 6.2) (if applicable)

- Declaration of interest; (SBD 4)
- Declaration of bidder's past SCM practices;(SBD 8)
- Certificate of Independent Bid Determination (SBD 9)
- General Conditions of Contract;
- Special Conditions of Contract; and
- Other documents such as:
  - Financial statements in support of financial stability;
  - Required detail regarding references; and
  - CV's of key project personnel.

Suppliers may submit alternative bid proposals. Such proposal will be evaluated as a separate bid, and CATHSSETA is under no obligation to accept such alternative bid proposals. All bid proposals must at least adhere to the minimum requirements as specified in the Terms of Reference.

If the bidder suggests certain changes to the General conditions of contract or the special conditions of contract, the proposed changes will be evaluated and if acceptable by CATHSSETA such suggested changes may be included into the contract as special conditions of contract. If the suggested changes are unacceptable the General conditions of contract and the special conditions of contract will stand. The potential bidder will then have to decide to abide by the decision or to withdraw its bid proposal.

If any clarity needs to be obtained for evaluation purposes CATHSSETA may require the potential service provider to substantiate certain information, or to allow officials to undertake a financial/ physical inspection to assure that capacity and ability is proven.

Supporting documentation should be attached as annexures and cross-referenced to the appropriate section of the bid.

Please note that the scope of services as indicated in this TOR reflects CATHSSETA true requirements and once the contract is signed amendments to the contract will only be allowed in exceptional circumstances. Please ensure that your costing is based on the scope of services to be rendered.

## Disclaimer

The SETA reserves the right not to appoint a service provider and is also not obliged to provide reasons for the rejection of any proposal. CATHSSETA reserves the right to:

- Award contract or any part thereof to one or more Service Providers;
- Reject all bids;
- Consider any bids that may not conform to any aspect of the bidding requirements;
- Decline to consider any bids that do not conform to any aspect of the bidding requirements;
- Request further information from any Service Provider after the closing date;
- Cancel this tender or any part thereof at any time.

Take note that if **subcontractors** are going to be utilized the following B-BBEE rules will be applicable for the allocation of B-BBEE points:

### Pre-contract (Regulation 11.8)

- (8) A person must not be awarded points for B-BBEE status level if it is indicated in the tender documents that such a tenderer 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 tenderer qualifies for, unless the intended sub-contractor is an exempted micro enterprise that has the capability and ability to execute the sub-contract.

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### Post contract (Regulation 11.9)

- (9) 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 exempted micro enterprise that has the capability and ability to execute the sub-contract.

**Bidders notification**

Unsuccessful respondents will be notified by e-mail.



INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE CULTURE ARTS TOURISM, HOSPITALITY AND SPORT SECTOR EDUCATION AND TRAINING AUTHORITY (CATHSSETA)

BID NUMBER: ..... CLOSING DATE ..... CLOSING TIME: 11:00

DESCRIPTION.....

~~The successful bidder will be required to fill in and sign a written Contract Form (SBD 7)~~

BID DOCUMENTS MAY BE POSTED TO CATHSSETA

BIDS MUST BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

1 Newtown Avenue Killarney,

Johannesburg

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

The bid box is open from 8am to 4.30pm Monday to Friday

All bids must be submitted on the official forms – -

This bid is subject to the Preferential Procurement Policy framework Act and the Preferential Procurement Regulations, 2011, the general conditions of contract (GCC) and, if applicable, any other special conditions of contract (SCC)

THE FOLLOWING PARTICULARS MUST BE FURNISHED (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

NAME OF BIDDER .....

POSTAL ADDRESS .....

STREET ADDRESS .....

TELEPHONE NUMBER CODE.....NUMBER.....

CELLPHONE NUMBER AND NAME.....

FACSIMILE NUMBER CODE .....NUMBER.....

E-MAIL ADDRESS.....

VAT REGISTRATION NUMBER.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED ? (SBD 2) YES or NO

TYPE OF BUSSINESS ENTERPRISE: .....

BUSSINESS ENTERPRISE NUMBER .....

SDL NUMBER ..... PAYE NUMBER: ..... UIF NUMBER: .....

## TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website [www.sars.gov.za](http://www.sars.gov.za).
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website [www.sars.gov.za](http://www.sars.gov.za).





**DECLARATION OF INTEREST**

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

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

2.2 Identity Number:.....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>, member):  
.....

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:  
.....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .....  
 Name of state institution at which you or the person connected to the bidder is employed : .....  
 Position occupied in the state institution: .....

presently employed by the state?

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .....

Name of state institution at which you or the person connected to the bidder is employed : .....

Position occupied in the state institution: .....

Any other particulars:

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....

.....

.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:

.....

.....

.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1 If so, furnish particulars.

.....

.....

.....

Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

**YES/NO**

1 If so, furnish particulars.

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

Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?

**YES/NO**

1 If so, furnish particulars:

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

**Full details of directors / trustees / members / shareholders**

<b>Full Name</b>	<b>Identity Number</b>	<b>Personal Income Tax Reference Number</b>	<b>State Employee Number / Persal Number</b>

"State" means –

- (a) 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);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

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

**4 DECLARATION**

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.  
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS  
DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

November 2011



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

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

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

**1. GENERAL CONDITIONS**

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

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

1.2 The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the.....system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	POINTS
<b>1.3.1.1 PRICE</b>	.....
<b>1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION</b>	.....
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.5 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

- 2.1 “**all applicable taxes**” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 “**B-BBEE**” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 “**B-BBEE status level of contributor**” means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 “**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 services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- 2.5 “**Broad-Based Black Economic Empowerment Act**” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- 2.6 “**comparative price**” means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 “**consortium or joint venture**” 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;
- 2.8 “**contract**” means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 “**EME**” means any enterprise with an annual total revenue of R5 million or less .
- 2.10 “**Firm price**” means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 “**functionality**” means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 “**non-firm prices**” means all prices other than “firm” prices;
- 2.13 “**person**” includes a juristic person;
- 2.14 “**rand value**” means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 “**sub-contract**” means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 “**total revenue**” bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;

- 2.17 **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### 3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

### 4. POINTS AWARDED FOR PRICE

#### 4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

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

Where

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

5. Points awarded for B-BBEE Status Level of Contribution

5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

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

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.
- 5.3 Bidders other than EMEs must submit their original and 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.
- 5.4 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.
- 5.5 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.
- 5.6 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.
- 5.7 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 EME that has the capability and ability to execute the sub-contract.
- 5.8 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.



**BID DECLARATION**

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

**7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1**

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

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

**8 SUB-CONTRACTING**

8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:

What percentage of the contract will be subcontracted?	The name of the sub-contractor?	The B-BBEE status level of the sub-contractor?	Whether the sub-contractor is an EME?

**9 DECLARATION WITH REGARD TO COMPANY/FIRM**

9.1 Name of company/firm : .....

9.2 VAT registration number : .....

9.3 Company registration number : .....

9.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium/Trust
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....  
 .....

9.6 COMPANY CLASSIFICATION

- Manufacturer
  - Supplier
  - Professional service provider
  - Other service providers, e.g. transporter, etc.
- [TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business? .....

9.8 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 contribution indicated in paragraph 7 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 paragraph 7, 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 contribution 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;
  - (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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, 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. ....

1. ....

.....

**SIGNATURE(S) OF BIDDER(S)**

DATE:.....

ADDRESS:.....



## CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> 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).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD 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 (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> 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 Institution)

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

1. 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>3</sup> will not be construed as collusive bidding.
2. 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.
3. 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.
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.

<sup>3</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.

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

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