



TERMS OF REFERENCES

**VHEMBE DISTRICT MUNICIPALITY
P/BAG X5006
THOHOYANDOU
0950**

**TEL: (015) 960 2000
FAX: (015) 960 1017**

DEVELOPMENT PLANNING DEPARTMENT

DEVELOPMENT OF TOURISM MAGAZINE (RE-ADVERT)

BID NUMBER: VDM/PLAN/07/11/2023/01

NAME OF BIDDER

TOTAL AMOUNT.....



VHEMBE DISTRICT MUNICIPALITY

REQUEST FOR TENDERS/PROPOSALS

BID NUMBER	DESCRIPTION	BID FEE	DOCS AVAILABLE	COMPULSARY BRIEFING SESSION	CLOSING DATE	TECHNICAL ENQUIRIES
VDM/PLAN/23/05/2024/01	Appointment of Panel of Town and Regional Planning Consultants for the period of 36 Months(03 years) as and when required	R1898.00.00 Non Refundable or Freely Downloaded in the Vhembe District Municipality Website.	19th June 2024	26th June 2024 at 10H00 at the Entrance of Vhembe District Municipality Offices	02nd August 2024 at 12H00	Acting General Manager Development Planning Department Ms Mapholi C.N at 015 960 2000
VDM TECH/25/08/2023/01	Supply and Delivery of Survey Instruments.(Re-Advert)	R1898.00.00 Non Refundable or Freely Downloaded in the Vhembe District Municipality Website	19th June 2024	26th June 2024 at 11H00 at the Entrance of Vhembe District Municipality Offices	08th July 2024 at 12H00	General Manager Technical Services Department Mr Maluleke W at 015 960 2000
VDM/PLAN/07/11/2023/01	Development of Tourism Magazine.(Re-Advert	R1898.00.00 Non Refundable or Freely Downloaded in the Vhembe District Municipality Website	19th June 2024	26th June 2024 at 10H30 at the Entrance of Vhembe District Municipality Offices	08th July 2024 at 12H00	Acting General Manager Development Planning Department Ms Mapholi C.N at 015 960 2000
VDM/FIN/01/02/2024/01	Provision of an Auction Services for the period of 36 Months(03 years)	R1898.00.00 Non Refundable or Freely Downloaded in the Vhembe District Municipality Website	19th June 2024	26th June 2024 at 11H30 at the Entrance of Vhembe District Municipality Offices	02nd August 2024 at 12H00	Chief Financial Officer Finance Department Ms Thangavhuelelo M at 015 960 2000
VDM/PLAN/17/08/2023/01	Supply and Delivery of Tractor Implements	R1898.00.00 Non Refundable or Freely Downloaded in the Vhembe District Municipality Website	19th June 2024	26th June 2024 at 10H30 at the Entrance of Vhembe District Municipality Offices	08th July 2024 at 12H00	Acting General Manager Development Planning Department Ms Mapholi C.N at 015 960 2000

Completed Tender document sealed in an envelope marked the above mentioned bids, Must be deposited in the bid box, next to the entrance of Vhembe District Municipality Offices, next to Khoroni Hotel (Former Venda Tusk Hotel) wherein the bids will be opened in public.

The following documents are required and shall form part of the bid: CSD summary report, Tax clearance compliance status letter or tax clearance compliance number, Company Registration Certificate, Proof of Purchased tender document receipt(for only purchased tender documents), Bidders Certified copy of ID Document, Proof that the bidder municipal business account or any of the directors municipal account is not in arrears (N.B. Municipal Clearance not older than three months) or NB: Letter from Traditional authority indicating that they are not paying Municipal rates and Audited Financial Statements (only bid above R10 000 000.00).

Late bid, telegraphic, e-mails or telefax transmission documents will not be accepted. Vhembe District Municipality reserves the right to accept a tender as a whole or in part and does not bind itself to accept the lowest or any tender.

NB: All service providers/bidders are requested to pre-number and initial their documents before submission

No bid will be accepted from person in the service of the state.

Administrative enquiries can be directed to Supply Chain Practitioners of Vhembe District Municipality at telephone number (015) 960 2129/2130/2131/2132 & 2133.

VHEMBE DISTRICT MUNICIPALITY



DEVELOPMENT OF TOURISM MAGAZINE(RE-ADVERT)

(VDM/PLAN/07/11/2023/01)

ITEM	DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL PRICE
1	Magazine	50		
2	Videos	50		
3	Collection of data (The magazine must contain information, photographs, a ll tourism attractions sites, a database of all accommodation establishments/resorts/heri tage sites\museums/travel agents/registered tourist guides, routes and tour operators found within the Vhembe District Municipality space)	01		
	TOTAL			
	VAT (15%)			
	GRAND TOTAL			



VHEMBE DISTRICT MUNICIPALITY

BID NAME: DEVELOP OF TOURISM MAGAZINE (VDM/PLAN/07/11/2023/01)

EVALUATION CRITERIA

1. Company's Experience & References

No.	Target goals	Weighting	Points Allocated
1.	Relevant experience in same project. Attach purchase order or appointment letter as proof of experience with a completion letter or delivery note.	03 and above projects=30 points 02 projects=20 points 01 project=10 points	
	SUB-TOTAL	30	

Note: Please attach appointment letters/purchase orders with the completion letter/delivery note.

2. QUALIFICATIONS FOR KEY STAFF

NO		WEIGHTING	POINTS ALLOCATED
1.	Data collectors: Grade 12 certificate	20 points	
	SUB-TOTAL	20 points	

3. METHODOLOGY

NO	TARGET		WEIGHTING	POINTS ALLOCATED
1	Study area	Thulamela 01 point Makhado 01 point	04	

		Collins Chabane 01 point Musina 01 point		
2	Stakeholders engagement	Inception report : 04 points Interview: 04 points Meetings: 14 points Desk top information: 04 points	26	
	SUB-TOTAL		30	

4. Financial References

No.	Target goals	Weighting	Points Allocated
1.	Tenderer submitted bank details proof attached	03 points	
2.	Bank rating "C" or better	12 points	
	Registered financial institution's full details as guarantor in the amount of 10% as specification for surety purposes shall be submitted	05 points	
	SUB-TOTAL: financial references	20 points	

SUMMARY OF TABLE 1-4

NO	SUMMARY OF TABLE	WEIGHTING	SCORE
1	Company's Experience & References	30	
2	Qualifications for key staff	20	
3	Methodology	30	
4	Financial Reference	20	
	PRICE	80	
	SPECIFIC GOALS	20	

SPECIFIC GOALS 20

Specific goals for 80/20 will be allocated as follows

NO	SPECIFIC GOALS	POINT ALLOCATION	VERIFICATION DOCUMENT
1	HDI	10	CSD
2	Locality	4	CSD
3	Youth	02	ID or CSD
4	Women	02	ID or CSD
5	Disability	02	Medical Certificate must be attached

NB: Locality points will be allocated as follows:

04 points within the district

02 points within Limpopo Province

01 point within South Africa (CSD report of the bidder will be used to verify the locality of the bidder)

Minimum functionality score

70

The bidder must obtain a minimum score of 70% of points allocated for quality (functionality) to qualify for further evaluation.



VHEMBE

D I S T R I C T M U N I C I P A L I T Y

Terms of reference
Development of the
Vhembe District Municipality
Tourism Magazine

Terms of reference

Development of the Vhembe District Municipality Tourism Magazine.

1. Introduction

1.1 Purpose

To develop the Vhembe District Municipality (VDM) Tourism Marketing Magazine referred to above as a brochure and a tourism marketing video.

1.2 Background

The VDM is a Category C Municipality. It was established in the year 2000 in terms of Local Government Municipal Structures Act No. 117 of 1998. It is a municipality with a Mayoral Executive System, which allow for the excise of executive authority through an executive mayor who is assisted by a mayoral committee. The District has four local municipalities namely, Thulamela, Musina, Makhado and Collins Chabane.

The District is located at the Northern most part of South Africa in the Limpopo Province. It is bordered by Zimbabwe to the north and Botswana to the northwest. The Limpopo river valley forms the border between the District and its International neighbours. Through the Kruger National Park the Vhembe District also borders Mozambique on its Eastern side. Within South Africa the Kruger National Park to the east, the Mopani District to the Southeast, and the Capricorn District to the Southwest border the Vhembe District.

One of the VDM's competitive advantages is tourism and it has been identified as one of the most important economic sectors through which poverty, food security and unemployment in the district can be addressed.

Also one of the function of the VDM is the promotion of local tourism. One of the major factors influencing consumer decisions to purchase a product or service is information sources about the product or service. A tourism marketing magazine not only have an influence on interest on traveling to a destination in general, but also on decisions related to specific destination and activity selection. Video marketing is powerful because it offers a visual and immersive experience that can grab and hold a potential tourist's attention.

2. Expected outputs

2.1 The magazine must contain maps, photographs, all tourism attractions sites, a database of all accommodation establishments (baseline is available)/(resorts/heritage sites/ museums/art and crafts centres/potteries/dams/game reserves/nature reserves/game farms (hunting)/festivals and cultural events (activities)/TFCAs/golf courses/caves/shows/races/hiking trails/ landing strips/conservancies safaris/waterfalls/major rivers and mountains/boxing (gyms) and bare knuckle fighting/ passes/gorges/sacred sites/information centres/agro tourism attractions/tertiary institutions offering tourism/historic graves/travel agents/national parks/stadia/UNESCO sites/VBR/rare (found in Vhembe only) species/casinos/parks/lakes/hiking trails/cable cars/ zip lines/spinning (motorsport)/botanical gardens/waterfalls/crafters/ registered tourist guides/ routes/tour operators, etc. found within the VDM space.

2.2 All content to be supplied by the service provider.

2.3 A5 size

2.4 Glossy paper

2.5 Full colour

2.6 VDM Tourism Marketing Video

3. The Development should include the following

3.1 Costs

3.2 Estimated time frames

3.3 Methodology

4. Copyright

The magazine developed, CDs and USBs will remain the sole property of the VDM.

5. Duration

The project is expected to be undertaken within maximum four (4) months.

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (VHEMBE DISTRICT MUNICIPALITY)

BID NUMBER: **VDM/PLAN/07/11/2023/01** CLOSING DATE: **08th JULY 2024** CLOSING TIME: **12H00**

DESCRIPTION: **DEVELOPMENT OF TOURISM MAGAZINE (RE-ADVERT)**

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

BID DOCUMENTS MAY BE POSTED TO:

VHEMBE DISTRICT MUNICIPALITY
OLD PARLIAMENT BUILDING
DENGA MPHIGALALE STREET
THOHOYANDOU

OR

DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

OLD PARLIAMENT BUILDING, DENGA MPHIGALALE STREET, THOHOYANDOU, 0950
BOX SITUATED NEXT TO THE ENTRANCE

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 generally open 24 hours a day, 7 days a week.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

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

NB: NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE (as defined in Regulation 1 of the Local Government: Municipal Supply Chain Management Regulations)

**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

.....

FACSIMILE NUMBER

CODE

NUMBER.....

E-MAIL ADDRESS

.....

VAT REGISTRATION NUMBER

.....

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN ATTACHED? (MBD 2)

YES/NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (MBD 6.1)

YES/NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)

A REGISTERED AUDITOR

(Tick applicable box)

(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)

ARE YOU THE ACCREDITED REPRESENTATIVE
IN SOUTH AFRICA FOR THE GOODS/SERVICES/WORKS OFFERED ?

YES/NO

(IF YES ENCLOSE PROOF)

SIGNATURE

OF

BIDDER

.....

DATE

.....

CAPACITY

UNDER

WHICH

THIS

BID

IS

SIGNED

.....

TOTAL BID PRICE.....

TOTAL NUMBER OF ITEMS OFFERED

.....

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Municipality: VHEMBE DISTRICT MUNICIPALITY

Department: TECHNICAL SERVICES DEPARTMENT

Contact Person: SUPPLY CHAIN PRACTITIONERS

Tel: 015 960 2130/2131/2132/2133

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Contact Person: MRS MAPHOLI C.N.

Tel: 015 960 2000

**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: VDM/PLAN/07/11/2023/01

Closing Time:12H00

Closing Date: 08th OF JULY 2024

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)
<hr/>			
-	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

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

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

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: VDM/PLAN/07/11/2023/01
Closing Time : 12:00	
Closing Date: 08TH OF JULY 2024	

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

ITEM NO.**(ALL APPLICABLE TAXES INCLUDED)	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY
--	----------	-------------	---------------------------

- 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

** "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

MBD 3.2

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

PRICING SCHEDULE
(Professional Services)

Name of Bidder:.....	Bid Number: VDM/PLAN/07/12/2023/01
Closing Time:12H00	Closing Date: 08 TH MARCH 2024

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
---------	-------------	--

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....
.....	R.....	.....

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

.....	R.....	..... days
.....	R.....	..... days
.....	R.....	..... days
.....	R.....	..... days

5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....

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

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....
TOTAL: R.....			

- 6. Period required for commencement with project after acceptance of bid
- 7. Estimated man-days for completion of project
- 8. Are the rates quoted firm for the full period of contract?*YES/ NO.
- 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.....
.....
.....
.....

*Delete if not applicable

MBD 4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudging 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, shareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

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

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

3.8.1 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, principle shareholders or stakeholders in service of the state? YES / NO

3.13.1 If yes, furnish particulars.

.....
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. YES / NO

3.14.1 If yes, furnish particulars:

.....
.....

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

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 **To be completed by the organ of state**

(delete whichever is not applicable for this tender)

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

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

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

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

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

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

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state) HDI=10 Locality=04 • 04 points within the district 02 point within Limpopo Province 01 point within South Africa(CSD report of the bidder will be used to verify the locality of the bidder) Youth=02 Women=02 Disability(Attach proof the Doctor)=02	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer) HDI=10 Locality=04 • 04 points within the district 02 point within Limpopo Province 01 point within South Africa(CSD report of the bidder will be used to verify the locality of the bidder) Youth=02 Women=02 Disability(Attach proof the Doctor)=02
HDI				
Locality				
Youth				
Women				
Disability				

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

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



MBD 6.2

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011 and the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.
- 1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

- x is the imported content in Rand
y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as required in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on http://www.thedti.gov.za/industrial_development/ip.jsp at no cost.

- 1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

2. Definitions

- 2.1. **“bid”** includes written price quotations, advertised competitive bids or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).
- 2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour and intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **“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.