

**KZN GROWTH FUND TRUST
REQUEST FOR QUOTATION (RFQ)
RE-ISSUE RFQ REFERENCE NUMBER – KGFT RFQ 2024 - 08
APPOINTMENT OF A SERVICE PROVIDER TO REVIEW AND UPDATE FRAMEWORKS AND
POLICIES**

Closing date : **20 June 2024**
Time : **12pm**
Submission format : email scm@kzngf.co.za

Name of the respondent:

Late bids will not be accepted

BID DETAILS

Bid title : Re-issue Request for Quotation for Appointment of a Service Provider to Review and update Frameworks and Policies

Procurement Reference Number : KGFT RFQ 2024-08

Description of Goods & Services : Review and update Frameworks and Policies

Date of RFQ : 31 May 2024

Date of compulsory briefing session : 07 June 2024

Date of RFQ CLOSING : 20 June 2024

CONTACT INFORMATION

Any enquiries regarding the bidding procedure may be directed to:

Procurement Officer: Sijabulile Ntshangase

Telephone: 031 372 3720

E-mail: scm@kzngf.co.za

BIDDER’S DETAILS

NAME OF BIDDER.....

POSTAL ADDRESS

STREET ADDRESS

CONTACT PERSON

TELEPHONE NUMBER Code Number

CELL PHONE NUMBER Code Number

FACSIMILE NUMBER Code Number

E-MAIL ADDRESS

Signature of Bidder **Date**

1. COMPULSORY BRIEFING SESSION

All parties responding to the RFQ will be required to attend a compulsory briefing session on Microsoft Teams.

A compulsory Briefing Session will be held as per the below:

Date: **07 June 2024**

Time: **10:00 am**

Method: **Online via Teams**

Meeting ID: **323 728 434 112**

Password: **CRK2fT**

Failure to attend the compulsory briefing session will result in Bidders submissions not being accepted.

2. PURPOSE

The Kwazulu-Natal Growth Fund (KZNGF) invite quotations from suitably qualified service providers to assist the organisation with the Risk Management services as outline below.

3. BACKGROUND

KZN Growth Fund (KGFT) is a Fund, established and capitalised by the Provincial Government to provide debt and equity. The main objective of the KGFT is to provide support for creating and enabling environment for activities that create jobs and accelerate the economic development of KZN whilst promoting Broad Based Black Economic Empowerment (B-BBEE).

2.1 Procurement Philosophy

It is the policy of KZNGFF, when purchasing goods and obtaining services to follow a course of optimum value and efficiency by adopting best purchasing practices in supply chain management, ensuring that open and fair competition has prevailed, with due regard being given to the importance of:

- a) The promotion, development, and support of businesses from disadvantaged communities (small, medium, micro enterprises, as well as established businesses within those communities) in terms of its BEE Policy;
- b) The promotion of national and regional local service providers and agents before considering overseas service providers and;
- c) The development, promotion and support for the moral values that underpin the above, in terms of KGFT Business Ethics and Guidelines which requires that all commercial conduct be based on ethical and moral values and sound business practice. This value system governs all commercial behaviour within KGFT.

The KZNGF wishes to engage with service providers who are equally committed to maintain high quality services and better pricing.

In line with the requirements of the PFMA and Treasury Regulations, the KGFT seeks to appoint a duly qualified service provider to provide a Risk Management services to the KZNGF.

4. OBJECTIVE

The objective of this bid is to appoint a suitably qualified and experienced service provider to provide a Risk Management services to the KGFT. The primary objectives of the service required are as follows:

To ensure that KGFT Board and Management are equipped with the relevant information to be able to discharge their responsibilities efficiently and effectively.

- To develop the KGFT risk appetite and tolerance levels to be recommended to the board in line with the best practice and norms.
- To Review and update Enterprise Risk Management Policy Framework.
- To assess and/or review the risk maturity levels of the organization and make recommendations for improvement.
- To facilitate a Board Strategic Risk workshop.

5. SCOPE OF WORK

The successful service provider will provide Risk Management services to the KZNGF. The service provider will be expected to deliver amongst others the following key requirements:

SCOPE OF WORK	DELIVERABLES
<p>1. Conduct a risk maturity assessment for KZN Growth Fund, focusing on the following:</p> <ul style="list-style-type: none"> • Governance and Leadership: Assessing the strength of risk governance structures, including roles and responsibility, Board oversight and senior management commitment. • Risk Culture: Evaluating the organisation’s culture regarding risk awareness, communication, and tolerance. • Risk Identification: Assessing the organisational ability to identify and understand risk including the processes and tools used. • Risk Measurement: Evaluating the organisation’s ability to quantify and assess risks including methodologies for risk assessment and risk measurement tools. 	<p>Outcome:</p> <ul style="list-style-type: none"> • Risk Maturity Assessment Report with recommendations for improvement. • Risk Maturity Road Map

<ul style="list-style-type: none"> • Risk Monitoring and Reporting: assessing the organisational processes for monitoring and reporting on risks, including the frequency and the quality of risk reporting, escalation, and use of risk indicators. • Risk Response and Mitigations: Evaluating the effectiveness of the organisation’s risk response and mitigation strategies. • Integration with Business Processes: Assessing the integration of risk management practices into the organisation’s strategic planning and decision-making processes. 	
<p>2. Facilitation of Board Strategic risk workshop</p>	<p>Outcome: Corporate Strategic Risk Register/ Profile</p>
<p>3. Enterprise Risk Management Policy Framework</p>	<p>Outcome: Reviewed and updated Enterprise Risk Management Policy Framework</p>
<p>4. Development of a Corporate Risk Appetite, focusing on the following:</p> <ul style="list-style-type: none"> • Risk Tolerance levels. • Risk Bearing Capacity. • Risk Culture • Risk Appetite Statement • Risk Appetite Metrics • Risk Monitoring and Reporting. • Risk Appetite alignment with the Corporate Goals. 	<p>Outcome: Risk Appetite and tolerance level Policy Framework</p>

The workshop will address the following risk management phases:

4.1 Planning

- 4.1.1 Research and discuss the strategic risks, mitigations and control improvements of the organisation with key stakeholders and executive management;
- 4.1.2 Survey the status of enterprise risk management and strategic risks of the organization with key stakeholders and executive management;
- 4.1.3 Prepare training material for enterprise-wide risk management training to the Management and Board members;

4.2 Execution

Conduct training in enterprise-wide risk management to the Management and Board;

- 4.2.1 Review and update of KGFT's risk appetite and tolerance statement;
- 4.2.2 Conduct assessment status of the current ERM maturity levels of the organisation; and
- 4.2.3 Review and update the organisational Enterprise Risk Management (ERM) policy and framework.

4.3 Reporting

- 4.3.1 Provide a status on the ERM Maturity levels of the organisation;
- 4.3.2 Provide a report on the risk appetite and tolerance levels; and
- 4.3.3 Provide a schedule of areas of improvement identified on the ERM policy and framework.

4.4 Participants/Stakeholders

The following are key stakeholders of the workshop:

- 4.4.1 Management and Employees
- 4.4.2 Board Members.

4.5 Sub-contracting

The service provider must clearly specify if part of the work will be subcontracted – the maximum is 25% and sub-contractor is subject to assessment same as a joint venture.

4.6 Reporting Requirements

The service provider shall report to the Acting Chief Risk Officer (ACRO).

4.7 Compulsory Briefing Session

All respondents are required to attend a briefing session.

6. CONTRACT DURATION

The Services will be provided over 2 (two) months period.

7. AWARD OF THE RFP

KGFT is not obliged to accept and award this tender to the lowest bidder or any other bidder.

8. EVALUATION PROCESS AND CRITERIA

Selection will be conducted over three stages as detailed below:

Stage 1 - Compliance with Minimum Requirements

Stage 2 - Functionality

Stage 3 – Price and Specific Goals

7.1 STAGE 1 – COMPLIANCE WITH MANDATORY REQUIREMENTS

7.1 All proposals must be completed and accompanied by:

7.1.1 SBD 1, SBD 4 and SBD 6.1

7.1.2 Company Profile

7.1.3 Evidence of registration on the National Treasury Central Supplier Database (or proof of registration);

7.1.4 Tax Compliance Status Pin on SARS Letterhead

All bids duly lodged as specified in this RFQ will be examined to determine compliance with the mandatory requirements and conditions. Failure to provide any mandatory information as requested above will result in the submission being deemed non-responsive.

7.2 FUNCTIONALITY EVALUATION

Scores will be tabulated to 100 points. Respondents must score 70 points and over to be assessed on their financial offer and preference score.

The allocation of points for the evaluation of quality/functionality is set out in Table 1 below:

FUNCTIONAL EVALUATION CRITERIA	Weight
<p>1. Company Experience</p> <p>The service provider must have a minimum of five (5) years' experience or more in providing the required service as per Annexure A.</p> <p>The company must demonstrate experience in the required services.</p> <ul style="list-style-type: none"> a. The bidder has demonstrated the experience and have more than fifteen (15) years' experience = 20 points b. The bidder has demonstrated the experience and have ten (10) years' experience = 15 points c. The bidder has demonstrated the experience and have five (5) years' experience = 10 points. d. The bidder has demonstrated the experience and have less than five (5) years' experience = 0 points 	<p>20</p>
<p>2. Reference Letters</p> <p>Reference letters must be relevant to scope of work listed under point 1</p> <ul style="list-style-type: none"> a. 5 Letters of Reference relevant to the scope of work – 15 points. b. 4 Letters of Reference relevant to the scope of work – 12 points. c. 3 Letter of Reference relevant to the scope of work – 9 points. d. 2 Letter of Reference relevant to the scope of work – 6 points. e. 1 Letter of Reference relevant to the scope of work – 3 points. <p>Letters must be on company letterhead, signed, and dated. Letters must not be older than 5 years.</p>	<p>15</p>

FUNCTIONAL EVALUATION CRITERIA	Weight
<p>Methodology and Approach:</p> <p>The Bidder must provide a detailed explanation of the methodology and project implementation plan which details how the service will be carried out as outlined in the scope. The project plan must have deliverables and timeframes.</p> <ul style="list-style-type: none"> • project plan with clear project timelines and deliveries and processes to be followed and sequence of events aligned = max 10 points • demonstrates adequate understanding and knowledge in developing risk management policies, and framework/ = max 5 points • Adequate understanding of organisation Risk Maturity assessment methodologies and practices = max 5 points • adequate understanding of development of organisation risk appetite and tolerance levels = max 10 points • adequate understanding and knowledge in facilitating ERM training , workshops and risk awareness = max 5 points 	35
<p>3. Experience of the Team</p> <p>Provide the qualifications, experience and professional competencies and affiliations in Enterprise Risk Management of the lead consultant to be used to provide the service.</p> <p>Qualifications:</p> <ul style="list-style-type: none"> • Must provide proof of qualifications (must be registered with a professional Risk Management Institution e.g., Institute of Risk Management SA, • Must have experience, and professional competencies in Enterprise Risk Management. <p>a. Complies with all requirements as indicated above. Relevant experience more than 15 years = 30 points</p> <p>b. Complies with all requirements as indicated above. Relevant Experience more than 10 years but less than 15 years = 20 points.</p> <p>c. Complies some of the requirements as indicated above. Experience amongst team members more than 6 years but less than 10 years =10 points</p> <p>d. Complies with all requirements as indicated above. Relevant experience is 5 years = 5 points.</p>	30
<p>TOTAL</p>	100

Note: Failure to obtain the minimum of 70 out of 100 on functionality will result in disqualification from further evaluation.

7.3 STAGE 2 - PRICE AND SPECIFIC GOALS

7.3.1 Proposals will be subject to an evaluation based on an 80/20 - 80 points for price and 20 points for specific goals.

7.3.2 Fixed price is required; price must be inclusive of VAT and all costs relating to disbursements and accommodation.

Evaluation	Maximum points to be awarded
Relative competitiveness of the price	80
Specific Goals (see the below table)	20
Total Price and B-BBEE Points	100

SPECIFIC GOALS TABLE

Preference Points 80/20 - Specific Goals						
Management Control						
	<30%	<51%	<100%	100%	Total Points	
BBE	0	0.5	1.25	2.2		3.95
BWO	0	0.5	1	1.5		3
BYO	0	0.5	1	1.5		3
PWD	0.25	0.3	0.5	1		2.05
						12
Skills Development Measured						
	Blacks	Youth	Women	PWD		
	1	1	1	1		4
Locality and establishment						
	KZN	SA				
	2.5	1.5				4
Total						20

The following may be used as proof for claiming preference points

- BBEE Certificate or BBEE Affidavit
- CSD Report
- ID Documents of the owners of the company
- Municipal Account or Lease Agreement

- Doctors Certificate / disability database from relevant institutions (for more research)

9. THE INFORMATION REQUIRED

You are and required to provide the KGFT with a proposal, by **no later than 12:00pm on 20 June 2024.**

10. SUBMISSION DETAILS

- Submissions must be emailed to scm@kzngf.co.za attention **Sijabulile Ntshangase** by no later than the stipulated time above.
- For queries, you can contact Nothando Mabunda nothando@kzngf.co.za during business hours of 8:00am to 4:30pm, Monday to Friday on 031 372 3720.

Approved by



Nothando Mabunda
Acting Chief Risk Officer

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	RFQ 2023 – 08	CLOSING DATE:	20 June 2024	CLOSING TIME:	12h00
DESCRIPTION	APPOINTMENT OF SERVICE PROVIDER TO REVIEW AND UPDATE FRAMEWORKS AND POLICIES				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
Via email to scm@kzngf.co.za					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Sijabulile Ntshangase		CONTACT PERSON	Nothando Mabunda	
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	scm@kzngf.co.za		E-MAIL ADDRESS	scm@kzngf.co.za	
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					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</p> <p>1.3. 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 SPECIAL CONDITIONS OF CONTRACT.</p> <p>1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</p>
2. TAX COMPLIANCE REQUIREMENTS
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p> <p>2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."</p>

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. company resolution)

DATE:

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 interest¹ 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.

Full Name	Identity Number	Name of institution	State

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:

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:

¹ 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.

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 consortium² 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 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

² 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.

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

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

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

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

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

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

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

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:

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

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
BBE	/	3,95	/	
BWO		3.00		
PWD		2.05		
BYO		3.00		
Skill Development		4.00		
Locality		4.00		

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:

