



REQ :11770

**REQUEST FOR QUOTATION FOR FIRE EXTINGUISHERS AS PER SPECIFICATION
TO THE UMHLABUYALINGANA LOCAL MUNICIPALITY**

BIDDER:

CSD REGISTRATION: MAAA

CLOSING DATE: 31/08/2023

CLOSING TIME: 12h00

ENQUIRIES:

SUPPLY CHAIN MANAGEMENT
UMHLABUYALINGANA LOCAL MUNICIPALITY
PRIVATE BAG X 901
KWANGWANASE
3973

SCM SPECIFIC ENQUIRIES

Enquires: Mr N.M. Mthembu
Email Address: bafanam@mhlalabyalingana.gov.za
Tel No: 035 592 0680



INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE UMHLABUYALINGANA LOCAL MUNICIPALITY			
BID NUMBER:	REQ : 11770	CLOSING DATE: 31 AUGUST 2023	CLOSING TIME: 12:00
DESCRIPTION	FIRE EXTINGUISHERS		
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).			

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT

R22 MANGUZI ROAD, UMHLABUYALINGANA LOCAL MUNICIPALITY
KWANGWANASE, 3973
<i>Completed documents must be deposited into tender box situated at the Foyer (reception) on or before the closing date.</i>

FOR ENQUIRIES CONTACT SCM UNIT ON 035 592 0680
SUPPLIER INFORMATION

NAME OF BIDDER			
POSTAL ADDRESS			
STREET ADDRESS			
TELEPHONE NUMBER	CODE	NUMBER	
CELLPHONE NUMBER			
FACSIMILE NUMBER	CODE	NUMBER	
E-MAIL ADDRESS			
VAT REGISTRATION NUMBER			
TAX COMPLIANCE STATUS	TCS PIN:	OR CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	Yes No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	Yes 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?	Yes No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	Yes No [IF YES, ANSWER PART B:3]
TOTAL NUMBER OF ITEMS OFFERED		TOTAL BID PRICE	R
SIGNATURE OF BIDDER		DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:	TECHNICAL INFORMATION MAY BE DIRECTED TO:
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DEPARTMENT		CONTACT PERSON	
CONTACT PERSON		TELEPHONE NUMBER	
TELEPHONE NUMBER		FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	
E-MAIL ADDRESS			

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.

1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RETYPED) OR ONLINE**

1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

2. TAX COMPLIANCE REQUIREMENTS

2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.

2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.

2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.

2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.

2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.

2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO

3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? YES NO

3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? YES NO

3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? YES NO

3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? YES NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

DATE:

.....

TOTAL FOR BID PRICE

.....

..... Rand (in words) (Carried over from **page 18**)

R (in figures)
(Carried over from **page 18**)

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:

This tender will be evaluated in two (2) stages

Phase 1: Evaluation for compliance to bid rules and conditions
Phase 2: Bidders passing the above will be evaluated on PPPFA

PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT (PPPFA) POINTS WILL BE AWARDED AS FOLLOWS:

Maximum points on price	-	80 points
Maximum points for Specified Goals (Preference points)	-	20 points
TOTAL	-	100 points

1. BIDDERS SHALL TAKE NOTE OF THE FOLLOWING BID CONDITIONS:

The minimum specifications, bid evaluation criteria, bid rules and special conditions of tenders are detailed in the bid/ quotation document.

2. ENQUIRIES WITH REGARD TO THIS ADVERT MAY BE DIRECTED to

SCM SPECIFIC ENQUIRIES Enquires: Mr N.M. Mthembu Email Address: bafanam@mhlabyalinganamun.gov.za Tel No: 035 592 0680	TECHNICAL /PROJECT SPECIFIC ENQUIRIES Enquires: Email Address: d@mhlabyalinganamun.gov.za Tel.No.: 035 592 0680
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SPECIAL CONDITIONS OF BID

1. **INTERPRETATION**

The word "Bidder" in these conditions shall mean and include any firm of Contractors or any company or body incorporated or unincorporated.

The word "Municipality" in these conditions shall mean the UMHLABUYALINGANA LOCAL MUNICIPALITY.

For the purpose of this document, the word "bid" is used interchangeable with the word "tender" or "purchaser".

3. **CONTRACT TO BE BINDING**

The formal acceptance of this Bid by the Municipality constitute a contract binding on both parties, and the Municipality may require sureties to it's satisfaction from the contractor, for the due fulfilment of this contract.

4. **MODE OF BID**

All Bids shall be completed and signed: All forms, annexures, addendums and specifications shall be signed and returned with the Bid document as a whole. ***The lowest or any bid will not necessarily be accepted.***

The Municipality wishes to deal on a prime contractual basis with the successful Bidder being responsible and accountable for all aspects of the entire solution or service offered.

5. **QUALITY**

Should the specifications and / or descriptions not address any aspects of quality as specified, this should be clarified with the Municipality prior to the submission of a Bid.

6. **INSURANCE CLAIMS, ETC.**

The Municipality shall not be liable in any manner in respect of any claims, damages, accidents and injuries to persons, property or rights or any other courses of civil or criminal action that may arise from the carrying out of this contract.

The contractor shall insure his / her / their personnel and any plant, machinery or other mechanical or electronic equipment involved in the fulfilment of this contract and shall indemnify The Municipality against all risks or claims which may arise.

7. **PERIOD OF VALIDITY FOR BIDS AND WITHDRAWAL OF BID AFTER CLOSING DATE**

All Bids must remain valid for a period of **90 days** from the closing date as stipulated in the bid document.

8. **PENALTY PROVISION**

8.1 Should the successful Bidder:

- [a] Withdraw the Bid during the afore-mentioned period of validity; or
- [b] Advise the Municipality of his / her / their inability to fulfil the contract; or
- [c] Fail or refuse to fulfil the contract; or
- [d] Fail or refuse to sign the agreement or provide any surety if required to do so;

Then, the Bidder will be held responsible for and is obligated to pay to the Municipality:

- [a] All expenses incurred by the Municipality to advertise for or invite and deliberate upon new Bids, should this be necessary.
- [b] The difference between the original accepted Bid price (inclusive of escalation) and:

[i] A less favourable (for the Municipality) Bid price (inclusive of escalation) accepted as an alternative by the Municipality from the Bids originally submitted; or [ii] A new Bid price (inclusive of escalation).

8.2 Should the successful Bidder failed to deliver, provisions of the General Conditions of Contract will apply. 83 Disputes between the Municipality and a bidder (if any) will be dealt with in the form of litigation.

9. BRAND NAMES

Wherever a brand name is specified in this BID document (i.e. in the specifications, pricing schedule or bill of quantities or anywhere in this document), the municipality's requirement is not limited to the specified brand name, but requires an item similar/equivalent or better than specified.

10. VALUE ADDED TAX

In calculating the cost of the supply and delivery of services and / or material, the supplier will issue a "Tax Invoice" for all services rendered and / or materials supplied, which will reflect the exclusive cost of such services, goods or materials with the relevant Value Added Tax being added to the total.

11. PRICE ESCALATION

No escalation of prices will be considered.

12. AUTHORITY TO SIGN BID DOCUMENTS

1. In the event that a resolution to sign is not completed by all directors (in terms of the Companies Act 2008) /partners/members (in terms of Close Corporation Act 1984) of the enterprise, the signature of any one of the directors /partners/members to this bid/quotation will bind all the directors /partners/members of the enterprise and will therefore render the bid valid.
2. In the event that a non-directors /non-partners/non-members to the enterprise sign this declaration, and no authority is granted, it will automatically invalidate the bid.
3. In the case of a joint venture or consortium, at least one director /partner/member of each of the parties need to sign the joint venture or consortium agreement.
4. Furthermore, in the case of a joint venture or consortium at least one director /partner/member of each party to the joint venture or consortium must give consent to give authorisation for signatory to this bid

13. DELIVERY PERIODS

Delivery periods, where indicated must be adhered to. Notwithstanding the termination date of the assignment the bidder will be required to submit progress reports to the Municipality the contract, form and frequency and dates thereof to be stipulated and agreed upon by the parties upon the awarding of the Bid.

14. DISPUTES

In the event that disputes cannot be resolved by internal systems, the disputes will be settled by litigation.

15. CLOSING DATE / SUBMITTING OF BIDS

15.1 Bids must be submitted in sealed envelopes clearly marked: **as stipulated on the advert of the bid.**

Completed bid documents in a sealed envelope endorsed with the relevant bid number, bid description and the closing, must be deposited in the bid box, Near the municipal reception in UMHLABUYALINGANA Local Municipality, not later than **12h00** on **the closing date** when bids will be opened in public.

Bidders must ensure that bids submitted via courier services are deposited by the courier service in the Municipality bid box prior to the closing date and that it is not delivered to Municipal officials. The Municipality will not accept responsibility if bids received by officials are not timely deposited in the Bid Box.

1. SCOPE OF WORK. (SPECIFICATION)

QUANTITY	TYPE OF FIRE EQUIPMENT	WEIGHT	SERVICE NEEDED
36	DPC	17,50 KG	SERVICING
20	CO2	17,50 KG	SERVICING
20	DPC	17,50 KG	REFILLED
22	CO2	17,50 KG	REFILLED
5	DCP	17,50 KG	SERVICING
5	FIRE BLANKET	13,60 KG	SERVICING
1	FIRE HOSE REEL		SERVICING

1.1 Bid price must include all costs associated with execution of the job i.e. travels, labour, material, chemical and equipment tools necessary for the execution of the bid.

PLEASE ATTACH YOUR QOUTATION AS PER THE SPECIFICATION

□ In submitting the bid document , please ensure that the following compulsory documents are attached :

1. ID copy
2. Full CSD Report
3. CK
4. Valid Tax pin
5. Appointment letter / reference letter

THE EVALUATION CRITERIA

This tender will be evaluated in two (2) phases as follows:

Phase 1: Compliance, responsiveness to the bid rules and conditions, thereafter Phase 2: Bidders passing stage above will thereafter be evaluated on PPPFA

1. EVALUATION CRITERIA

PHASE 1 – COMPLIANCE, RESPONSIVENESS AND CONDITIONS

The purpose of this pre-qualification evaluation is to determine which bid responses are complaint and non-complaint with the bid specifications issued by the municipality as part of the bid process

A. Bidders' proposals must meet the following minimum requirements and the required supporting documents must be submitted with the completed quotation document in a sealed envelope in the bid box at the closing date and time. Failure to comply will automatically eliminate the bid for further consideration:

1. Bids must be submitted on the original documents and bids which are late, incomplete, unsigned or submitted by facsimile or electronically, will not be accepted.
2. The following Declarations must be completed and signed: (**MBD4, MBD6, MBD8 and MBD9**).
3. Bidder's proposals that do not meet the specifications will be eliminated.
4. If the offer is "Vat Inclusive", the VAT registration number of service provider must be indicated.
5. Only one offer per item per bidder is allowed and alternative offers will not be considered. If more than one offer per item is received, none of the offers will be considered. Bidders are also not allowed to submit a bid/ quotation whilst they are in agreements with other bidders in the form of joint ventures or consortiums.

B. Other Conditions of bid

1. The bidder must be registered on Central Supplier Database (CSD) prior award
2. All bidders' tax matters must be in order prior award. Bidders' tax matters will be verified through CSD.
3. The form **MBD 1** must be properly completed and signed.
4. For bidders to qualify for points for Specific, the bidders are required to be submit with the quotation:
 - a) Complete the Preference Points Claim Form in full, sign the declaration and date it;
 - b) Attach an MAAA number for purposes of verifying Claimed points in the preference schedule.
 - c) Failure to submit any of the above (a or b) will result in zero points scored for Specified Goals.
5. The Preference Points Claim Form must be properly completed. Failure to do so, will result in the non awarding of points.

6. The Municipality will contract with the successful bidder with an official order.

2. PHASE 2 - EVALUATION ON NEW PPPFA

THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT WILL BE APPLIED AND 80/20 POINTS SYSTEM WILL BE APPLICABLE

**POINTS FOR PRICE
GOALS 20 POINTS* TOTAL POINTS**

**80 POINTS MAXIMUM POINTS FOR SPECIFIED
100 POINTS**

*The table below must be used to calculate the score out of **20 for Specified Goals**

Designated groups	Number of Points (80/20)
▪ Locality (within uMhlabuyalingana)	5
▪ Director/ owner black women	5
▪ Director/ owner with Disability	5
▪ Director/ owner who is black youth	5
▪ Form not completed or submitted	0

NOTE:

The tenderer must submit a CSD number, CIPC documents indicating share ownership or directorship of the company or a comprehensive CSD report which must indicate the names of the owners, their gender, race, age, whether there is a person living with disability or not and the address of a company (first address on CSD), in order to claim the preferential procurement points.

3. CANCELLATION AND RE-INVITATION OF TENDERS

The municipality may, prior to the award of the tender, cancel the tender if-

- (a) due to changed circumstances, there is no longer a need for the services, works or goods requested; or
- (b) funds are no longer available to cover the total envisaged expenditure; or
- (c) no acceptable tenders are received; or
- (d) Tender validity period has expired; or
- (e) Gross irregularities in the tender processes and/or tender documents; or
- (f) No market related offer received (after attempts of negotiation processes)

LIST OF RETURNABLE DOCUMENTS

A Returnable Schedules required for tender evaluation purposes

The tenderer must complete the following returnable schedules as relevant:

1. MBD 1 – Invitation to Bid
2. Record of Addenda to Tender Documents
3. Proposed Amendments and Qualifications
4. MBD 3.1- Price Schedule
5. MBD 4 - Declaration on Interest

6. Preference Points claim form
7. MBD 8 – Declaration of Bidder's Past SCM Practices
8. MBD 9 – Certificate of Independent Bid Determination
9. Resolution for Signatory
10. Certificate of Joint Ventures
11. General Conditions of Contract

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/adjudicating authority.

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

3.1 Full Name of bidder or his or her representative:

3.2 Identity Number:

.....

3.3 Position occupied in the Company (director, trustee, 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.

¹ MSCM 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

**DECLARATION OF BIDDER'S PAST SUPPLY CHAIN
MANAGEMENT PRACTICES**

- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
- abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - been convicted for fraud or corruption during the past five years;
 - willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

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

4.3.1	If so, furnish particulars:		
Item 4.4	Question Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes Yes	No No
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes	No
4.7.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) — — — — —
**CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM
 TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE
 TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

Signature **Date** — — — — —

Position **Name of Bidder**

CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.

- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).¹ Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
- a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹

Includes price quotations, advertised competitive bids, limited bids and proposals.

REQ0

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

in response to the invitation for the bid made by:

UMHLABUYALINGANA LOCAL MUNICIPALITY

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;

¹ 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.

2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
 3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
 4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
 5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
 6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
 7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices; (d) the intention or decision to submit or not to submit, a bid;
- REQ0**
- (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
 8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
 9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

.....

.....

³

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.