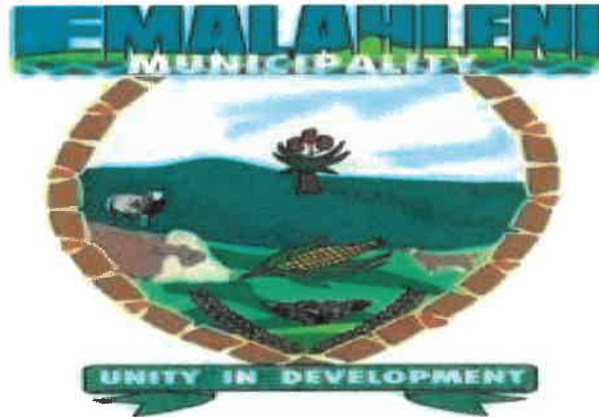


# EMALAHLENI LOCAL MUNICIPALITY



PROVISION OF BANKING SERVICES FOR A PERIOD OF 05 YEARS

BID NUMBER: ELM/5/03/2026T.

**BIDDER:**

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**BID PRICE:**

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**CLOSING DATE: 29 MAY 2026**

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**CLOSING TIME: 12:00 pm**

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**PREPARED BY:**

Supply Chain Management Office

Emalahleni Local Municipality

37 Indwe Road

CACADU

5410

Tel: [047] 878 0020

Fax: [047] 878 0012

**PART A – ADMINISTRATIVE REQUIREMENTS IN TERMS OF THE SUPPLY CHAIN MANAGEMENT POLICY**

1. CHECKLIST
2. TENDER NOTICE & INVITATION TO TENDER
3. AUTHORITY TO SIGN A BID
4. GENERAL CONDITIONS OF CONTRACT – GOVERNMENT PROCUREMENT
5. GENERAL CONDITIONS OF TENDER
6. MBD 2 – TAX CLEARANCE CERTIFICATE REQUIREMENTS
7. MBD 4 – DECLARATION OF INTEREST
8. MBD6.1 – PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT NEW REGULATIONS 2022 – PURCHASES/SERVICES (80/20)
9. MBD 8 – DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES
10. MBD 9 – CERTIFICATE OF INDEPENDENT BID DETERMINATION
11. CERTIFICATE FOR PAYMENT OF MUNICIPAL SERVICES
12. SCHEDULE A – CONFIRMATION OF REGISTRATION OF TENDERER ON EMALAHLENI SUPPLIER DATABASE / NATIONAL TREASURY DATABASE
13. SCHEDULE B – TENDERER’S PAST EXPERIENCE

**PART B – SPECIFICATIONS AND PRICING SCHEDULE .....**

14. PRICING SCHEDULE .....
15. MBD 7.1 CONTRACT FORM - PURCHASE OF GOODS..... –
16. SPECIFICATIONS.....

## 1. CHECKLIST

**PLEASE ENSURE THAT THE FOLLOWING FORMS HAVE BEEN DULY COMPLETED AND SIGNED AND THAT ALL DOCUMENTS AS REQUESTED, ARE ATTACHED TO THE TENDER DOCUMENT:**

<b>MBD 1 Invitation to tender?</b>	<b>Yes</b>		<b>No</b>	
<b>Authority to Sign a Bid</b> Is the form duly completed and is a <b>certified copy</b> of the <b>resolution</b> attached?	<b>Yes</b>		<b>No</b>	
<b>Tax Clearance Certificate</b> Is an <b>ORIGINAL</b> and <b>VALID</b> Tax Clearance Certificate attached?	<b>Yes</b>		<b>No</b>	
<b>MBD 3.1 (Pricing Schedule)</b> Is the form duly completed and signed?	<b>Yes</b>		<b>No</b>	
<b>PRICING SCHEDULE MBD 3.3 (Professional Services)</b>	<b>Yes</b>		<b>No</b>	
<b>MBD 4 (Declaration of Interest)</b> Is the form duly completed and signed?	<b>Yes</b>		<b>No</b>	
<b>MBD 6.1 (Preferential points claim form)</b>	<b>Yes</b>		<b>No</b>	
<b>MBD 7 (Contract Form – Rendering Services)</b> Is the form duly completed and signed?	<b>Yes</b>		<b>No</b>	
<b>MBD 8 (Declaration of Past Supply Chain Practices)</b> Is the form duly completed and signed?	<b>Yes</b>		<b>No</b>	
<b>MBD 9 (Certificate of Independent Bid Determination)</b> Is the form duly completed and signed?	<b>Yes</b>		<b>No</b>	
SCHEDULE A – CONFIRMATION OF REGISTRATION OF TENDERER ON EMALAHLENI SUPPLIER DATABASE / NATIONAL TREASURY DATABASE				
SCHEDULE B – TENDERER’S PAST EXPERIENCE				

<b>SIGNATURE</b>		<b>NAME</b>	
<b>CAPACITY</b>		<b>DATE</b>	
<b>NAME OF FIRM</b>			



## TENDER NOTICE

Bids are hereby invited from suitably experienced Service Providers for the project stated below:

BID NO	DESCRIPTION	ADVERTISING DATE	CLOSING DATE
ELM/5/03/2026T	PROVISION OF BANKING SERVICES FOR A PERIOD OF 05 YEARS	24 March 2026	29 May 2026 @ 12H00

bid documents will be available from the **26 March 2026** on the Emalahleni Local Municipality Municipal Website [www.emalahlenilm.gov.za](http://www.emalahlenilm.gov.za) and **E-TENDER PORTAL**.

Project enquiries shall be directed to **Mr. SD Xinti 067 087 0573** [xintis@emalahlenilm.gov.za](mailto:xintis@emalahlenilm.gov.za) during normal office hour: **(08h00-16h30)** and all bidding enquiries shall be directed to **Mr. N Stemela** on **078 112 8036/ a stemelan@emalahlenilm.gov.za** during normal office hours **(08h00-16h30)**.

Completed bids and supporting documentation, placed in a sealed envelope clearly written on the outside as per the bid document, must be dropped in the marked bid box placed at the reception of the Emalahleni Local Municipality offices at 37 Indwe Road in Lady Frere not later than **12h00 pm on the dates as mentioned above**, all the received bids will be opened in public

**BIDS WILL BE EVALUATED ON THE BASIS OF RESPOSIVENESS FIRST THEN FUNCTIONALITY AND ONLY RESPONSIVE BIDS WILL BE EVALUATED ON PRICE AND SPECIFIC GOALS AT 80/20 POINTS BASIS AS INDICATED FROM THE BELOW TABLE.**

EVALUATION CRITERIA	POINTS ALLOCATION
Pricing	80
Specific Goals	20
<b>TOTAL</b>	<b>100</b>

### SPECIFIC GOALS

CATEGORY	VERIFICATION METHOD	Weighting
Women Ownership	CSD report	10
Youth Ownership	CSD report	10
<b>TOTAL POINTS</b>		<b>20</b>

**FUNCTIONALITY: 100 points, Minimum qualifying points will be 70 for further evaluation**

<b>Pre-Qualification Category and Description</b>	<b>Points Allocation</b>
<b>Experience</b>	<b>Total = 100</b>
List of similar types of projects undertaken in municipal environment within the past 10 years (10 points per Appointment letter and reference letter to be submitted in order to claim points)	40

**Special condition:**

<b>Footprint</b>	<b>20</b>
Availability of a branch, service point and support staff in Lady Frere (Head Office) (Proof of existence or letter to be submitted)	10
Availability of a branch, service point and support staff in Dordrecht (Proof of existence or letter to be submitted)	5
Availability of a branch, service point and support staff in Indwe (Proof of existence or letter to be submitted)	5

**Methodology**

<b>Methodology</b>	<b>40</b>
Detailed methodology statement clearly explaining how the project will be implemented:	
<ul style="list-style-type: none"> <li>• Security of municipal monies</li> <li>• Comprehensive banking solutions tailored for the municipality</li> <li>• ICT capabilities (technical support services, downtime turnaround etc.)</li> <li>• Customer relationship strategies</li> <li>• Demonstration of corporate social responsibility s (CSR) to be implemented over the period</li> </ul>	<p>10</p> <p>10</p> <p>10</p> <p>5</p> <p>5</p>

**SHALL TAKE NOTE OF THE FOLLOWING:**

- Bidders will be adjudicated in accordance with the Municipality Supply Chain Management Policy and the Specific Goal Preferential Procurement will be based on the 80/20 points system.
- The Validity period is 120 days from the closing date of bids.
- Submit a company registration certificate (C.K document).
- Bidders must submit a Tax Compliance status document with Pin issued by South African Revenue Services (SARS).
- Submit all director's certified ID copies as reflecting on the company registration document.
- Submit proof registration of **Full Central Supplier Database**.
- All municipal rates and taxes of the supplier must be paid where the business has its head or regional office. Latest billing clearance certificate or account statement not older than 3 months must be submitted with the bid, or if the property is being leased then lease agreement must be attached, failure to do so will result in the bid being disqualified.
- Fully Completed Tender Forms and, all returnable **MBDs** –Part of the tender document. Return all returnable documents to the employer after completing them entirely by writing legibly in non – erasable ink.
- Only the original tender document will be accepted.
- All certified documents must not be older than three (03) months.
- All other pre-requisites as detailed in the bid documents shall apply.
- Failure to complete all the supplementary information will result in bidder being deemed non-responsive.
- Late, telegraphic, facsimile, incomplete or unsigned bids will not be considered.
- Emalahleni Local Municipality does not bind itself to accept the lowest or any bid and reserves the right not to accept the whole or any part of the bid.



**Ms TT MADOTYENI  
MUNICIPAL MANAGER**

**MBD1  
PART A  
INVITATION TO BID**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE EMALAHLENI LOCAL MUNICIPALITY**

BID NUMBER:	<b>ELM/5/03/2026T</b>	CLOSING DATE:	29 MAY 2026	CLOSING TIME:	12H00
DESCRIPTION	PROVISION OF BANKING SERVICES FOR A PERIOD OF 05 YEARS				

**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 (STREET ADDRESS)


**SUPPLIER INFORMATION**

NAME OF BIDDER							
POSTAL ADDRESS							
STREET ADDRESS							
TELEPHONE NUMBER	CODE		NUMBER				
CELLPHONE NUMBER							
FACSIMILE NUMBER	CODE		NUMBER				
E-MAIL ADDRESS							
VAT REGISTRATION NUMBER							
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:			
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> 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							
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>				<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>			
DEPARTMENT	BUDGET	AND	CONTACT PERSON	Mr. SD Xinti			
CONTACT PERSON	TREASURY		TELEPHONE NUMBER	047 878 2058			
TELEPHONE NUMBER	N Stemela		FACSIMILE NUMBER				
FACSIMILE NUMBER	047 878 2000		E-MAIL ADDRESS	<a href="mailto:xintis@emalahlenilm.gov.za">xintis@emalahlenilm.gov.za</a>			
E-MAIL ADDRESS	<a href="mailto:stemelan@emalahlenilm.gov.za">stemelan@emalahlenilm.gov.za</a>						

## PART B TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b>	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	<b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR ONLINE</b>
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
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.
<b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>	
3.1.	IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.2.	DOES THE ENTITY HAVE A BRANCH IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.3.	DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.4.	DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
3.5.	IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>
<b>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.</b>	

**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: .....

## **MBD 2**

### **1. TAX CLEARANCE CERTIFICATE REQUIREMENTS**

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

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

#### **2.1 SARS APPLICATION FOR TCC MBD**

**MBD 3.1**

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

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

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

Name of Bidder.....	Bid Number.....
Closing Time .....	Closing Date .....

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

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

## **BID SPECIFICATION**

### **PROVISION OF BANKING SERVICES FOR THE PERIOD OF FIVE (5) YEARS.**

#### **1. PURPOSE**

The purpose of this document is to procure the services of a commercial bank registered in terms of the Banks Act (Act No. 94 of 1990) for a fixed term of five (5) years. The Bidder's proposal should effectively and adequately, without ambiguity demonstrate how it can provide the banking services. The bank must offer robust and adaptable banking solutions to meet a wide range of financial needs, including managing current accounts, handling foreign currencies, and providing short-term investment options. Additionally, the bank should be well-versed in all processes related to performance and financial guarantees for major projects.

The bidder must provide solutions that will be detailed under the scope of work in the bid document/proposal. The proposal should encompass key areas of support and collaboration i.e. innovation, high quality service, value-add solutions and a proactive approach to service models.

#### **BID NAME**

### **PROVISION OF BANKING SERVICES FOR THE PERIOD OF FIVE (5) YEARS.**

#### **2. BACKGROUND AND INTRODUCTION**

Emalahleni Local Municipality comprises three towns.

In accordance with Section 7 (1) of the Municipal Finance Act 2003 (Act No 56 of 2003), states that every municipality must open and maintain at least one bank account in the name of the municipality with institutions registered as a bank in terms of the Banks Act, 1990 (Act No. 94 of 1990).

Therefore, institutions not registered in terms of the Bank Act above are precluded from submitting bids.

#### **SPECIFICATION:**

It is the intention of the Emalahleni Local Municipality to enter into a formal contract with a service provider that will carry out the services described hereunder. These Terms Of Reference and the service provider's proposal will form the basis of the contract.

### **SECTION 1: DETAILS**

<b>Province</b>	<b>Eastern Cape</b>
<b>Municipality</b>	<b>Emalahleni Local Municipality</b>
<b>Project Name</b>	<b>Provision of Banking Services</b>

### **SECTION 2: SUMMARY OF BRIEF**

**Proposals** are requested from service providers who have experience and qualifications to provide Emalahleni Local Municipality with professional banking services.

### **SECTION 3: PROJECT DESCRIPTION**

## **BACKGROUND**

In terms Section 7 of the Municipal Finance Management Act 56 of 2003, a municipality

must open and maintain at least one bank account in the name of the municipality.

All money received by a municipality must be paid into its bank account or accounts, and this must be done promptly and in accordance with Chapter 3 of the MFMA and any requirements that may be prescribed.

**SECTION 4: PROJECT PURPOSE / OBJECTIVES**

**1. Legislative Compliance:**

All banks must be registered in terms of the Bank Act 1990, Act 94 of 1990, as per Section 7 3(b) of the MFMA Act no 56 of 2003.

The banks must also be a member of the Payments Association and Credit Clearance House.

Bidders are expected to incorporate into their banking solution, proposals that will ensure compliance with the following:-

- Constitution of R.S.A, Act 108 of 1996
- Municipality Systems Act 32 of 2000 as amended
- Municipal Finance Management Act 56 of 2003
- Bank Act 94 of 1990
- Any other applicable legislation
- Proof of fidelity cover

**1 Purpose**

To achieve the above the banking service provider must:

- Have a Relationship Manager / team based within the Emalahleni Local Municipality region, preferable in the same area as head office.
- Provide consolidated reports on all bank accounts of Emalahleni Local Municipality.
- Provide daily electronic downloads of transactions.
- Provide a central point for enquiry services that will allow a 24 hr turnaround time.
- Provide overdraft facilities in accordance with section 45 of the MFMA.
- Facilitate electronic payroll facilities to all permanent staff.
- Provide an integrated banking solution for payment and receipt that is cost effective and efficient.
- Facilitate electronic payment system for sundry & creditors payments.
- Have a facility for Cash-In-Transit service provider to be able to bank monies collected from cashiers at all municipal cashiers.
- Have a linkage between cash storage machines and electronic banking systems provide card swiping machines

Physical Banking and Service Administration.

Footprint.

- i. Availability of branches, service points and support staff within the Emalahleni Municipal area;
- ii. Availability of points and facilities for the public to pay municipal accounts within the subscriber municipal area.

**3. Specification and requirements**

**Services and Costs**

- a. Online Cheque Stopping Facility;
- b. Online Security;
- c. Online Customer Transactions;

- d. High volume transactions.
- e. Identification of allocated deposits
- f. Online EFT payment Stopping or Reversal Facility
  - The bidder must indicate whether it has a direct online stop payments facilities and the reversal thereof,
  - Has a direct online to enquire to the status of banked cheques
  - Has ability to handle large volumes online transactions
  - Has direct online function to enquire on the status of all relevant bank accounts
  - The bidder must provide solution to reduce and identify unknown receipts
  - The bidder must have the ability to retrieve historical data
- g. Fuel card

### **Cost Structures**

- a. Bank Charges and the time frame that the rates will be effective for:-
  - i. Monthly Services;
  - ii. Deposits and cheque payments;
  - iii. Other charges;
  - iv. Internet Banking.
- b. Financing Rates;
  - i. Overdraft;
  - ii. Asset Based Finance;
  - iii. Operating Rentals.

### **Investment Portfolio**

- a. Products;
- b. Charges;
  - i. Administration;
  - ii. Commission;
  - iii. Switching Funds.
- c. Administration of the Portfolio;
- d. Interest earned on available funds.

### **Banking Services and Product Range:**

The bidder must provide a full set of electronic and other banking products and services to the Municipality such as-:

#### **A. Cash Handling Service;**

- Supply information indicating procedures and authorization requirements for cash deposits, withdrawals cheque payments, stop payments instructions and any other services provided relating to the handling of cash and cheques with the associated costs,
- Can sort information based on deposit identification;
- Can provide real time cash management information to optimize the municipality's fund management;
- Can provide one main charges account for all the bank charges including our third party charges

#### **B. Cheque Accounts;**

- Indicate whether it is capable of providing systems for printing of cheques with the necessary payment details
- Indicate whether it can provide cheque retention facilities
- Indicate what services it offers in terms of printing, supply and safekeeping of all cheque forms
- Demonstrate the ability to investigate and recover losses arising from fraudulent negotiations of cheques

- C. **Overdraft facilities;**
- D. **Daily aggregation of deposit accounts and cheque cashing facilities;**
- E. **The provision of interfaces between the bank's electronic system and the municipality to enable electronic reconciliations;**

- Provide electronic identification and reconciliation of counter deposits;

G. **Electronic Banking.**

- Provide electronic bank statement the following day after deposits are made
- Multi-layered security enabling individual access to transfers and/or enquiries irrespective of physical with audit trail capabilities
- Has the capacity in order for the municipality to identify and offer modular cash management functionalities
- Must be able to operate as a house keeper if more than one banker is involved to facilitate the daily sweeping;
- Have predetermined electronic payments set up with standard payments details for both third party payments and internal transfers;
- Have ad hoc electronic transferred for 3<sup>rd</sup> party payments and internal transfers;
- Has the ability to assist the municipality in applying limits to transactions and account and the monitoring thereof;
- Provide for deposit identification with electronic transfers and deposits, the number and type of characteristics should be supplied;
- Has the ability to supply information pertaining to unpaid ACB transactions;
- Has the ability to do immediate payment for banks when necessary
- Has the ability to transact electronically via the bank with suppliers of goods and services as and when required;

H. **Cell Phone Banking**

One of the Municipality's ongoing strategies is to create a culture of payment amongst its residents. Please provide us with a proposal of how you could assist the Municipality with this drive using the facilities provided through Cell Phone Technology.

Provide cellphone banking applications that promote safe and secure transactions e.g. cash withdrawals etc.

H. **Reporting, Audit Trails and Queries**

- Supply information of its ability to provide daily and monthly cash management reports and statements;
- Provide information as to what audit trails will be available in what form and how daily and ad hoc queries will be addressed. Response time to supply statements should be stated;
- Indicate whether it can provide a breakdown of information of the bank charges and costs to allow the municipality to reconcile with proposal prices;
- Indicate any additional costs that are incurred with the supply of the information;
- Demonstrate executive reporting facilities to assist in the control and monitoring of accounts and exceptions reporting for amounts that exceed a specific limit and unusual patterns of spending.

I. **Non-financial and Additional Services.**

- a. General Advice;
- b. Bank Training for applicable municipality staff;
- c. Risk Management.

J. **Project and Asset Financing Products/ Corporate accounts**

- a. Leasing(buildings and machinery);
- b. Financing (buildings and machinery);
- c. Rentals;
- d. Fleet management service/ fuel management facilities
- e. Maintenance;
- f. Hire purchase;
- g. Capital Projects
- h. Travel corporate account

## **SPECIFIC REQUIREMENTS AND ISSUES**

**K. Short Term Facilities required (if there is a cost involved for this service please include it in the Pricing Schedule)**

The municipality from time to time will require either cash backed or non-cash backed guarantees from the Bank. Please ensure that there is a facility available at all times and give indicative rates for such facilities.

The Proposal must also indicate what the pricing will be on positive or credit balances. Proposals may also consider proposing different rates for different levels of facilities and or balances.

**L. Custodian Services (if there is a cost involved for this service please include it in the Pricing Schedule)**

Other safe custody services for material other than financial scrip must also be included in this section.

**M. Settlement Agent (if there is a cost involved for this service please include it in the Pricing Schedule)**

The Bidder must indicate whether it is an official settlement agent of the Bond Exchange of South Africa

**N. Other Services (If there is a cost involved for this service please include it in the Pricing Schedule. If the cost relating to this offering is for the Municipality or the Employees then this must be clearly stated on the pricing schedule)**

Please provide in detail any Tailor Made products and Services to Employee of the Municipality amongst other the following:

- Group Schemes;
- Health Care Facilities;
- Vehicle Schemes;
- Retirement Funds and Other Insurance Scheme;
- Housing / Bond Facility;
- Financial Advisory Services; and
- Uniform / Corporate Dress schemes for Front Line Staff.

**O. Computer Systems and Technical Equipment (if there is a cost involved for this service please include it in the Pricing Schedule)**

Please provide a technical specification to enable the Bidder to interface with the computer systems of the Municipality.

Any additional hardware that would be required to ensure that the Municipality's IT system function effectively.

The Communication Software that will be made available to allow the systems to link and talk to each other.

Information on the connection protocol or service provider that the Bidder must subscribe to.

Security assurance and confidentiality in connectivity between the Municipality and the Bidder.

All IT related roles and responsibilities must be clearly outlined.

**P. Security Procedure and Insurance (if there is a cost involved for this service please include it in the Pricing Schedule)**

Please provide information as to what security procedures are being followed to prevent fraudulent practices in terms of commerce, cheques, cash, etc.

Please provide information as to what insurance arrangements are in place or should be put in place as part of the Proposal to protect the Municipality against any loss, and the cost thereof.

Outline a plan to provide the Municipality's senior management and its employees with ongoing advice and training on fraud prevention and methods of detecting fraud.

Advice and facilities to detect money-laundering activities.

Advice and facilities on protection against fraud.

**Q. Training and Skills Transfer (if there is a cost involved for this service please include it in the Pricing Schedule)**

The Municipality is continuously focusing on the skilling and the training of its Staff. The Bidder is required to provide the Municipality with a detailed proposal outlining a training strategy and plan with timeframes with regard to, among others, the following.

Training that will be provided on the various banking products and facilities that will be used by the Municipality.

- Training of Front Line Staff
- Training on Customer Care, Cash Handling, Detection of fraud, etc.
- Continuous on-site training on the use of the Bidders electronic banking systems.

**R. Banking Service Level Agreement**

The Bidder must provide a pro forma copy of a service level agreement that will allow the Municipality to monitor the performance under the contract and have remedies on how best to solve the problem. When every avenue has been exhausted the Municipality may decide on its discretion to terminate the agreement.

The service level agreement must also indicate how costs and services are evaluated and adjusted on a regular basis. **The quoted prices will be subject to a maximum annual increase in CPI, based on the proposed level of service.** Where the Bidders provide for a smaller adjustment, this should be clearly indicated in this manner. The Service Level Agreement shall be subject to scrutiny and negotiation with the Municipality.

**S. Demonstrating financial stability and viability of The Bidder**

The Bidders must demonstrate in written submission the financial stability of their organisation for detailed evaluation. The Bidders are therefore obliged to furnish the Municipality with their latest credit rating report prepared by an independent credit rating agency.

- Bank contact centre numbers must be made available to place on all ads to encourage our customers to register for electronic banking to pay accounts.
- All payment points and other Centres identified where payment is made to be equipped with Debit Card Facilities.

#### **T. Social Responsibilities**

Please outline in detail your contribution to Social Development making reference to amongst others the following:

- Community Development Initiatives
- Community Projects
- Corporate Social Investment
- SMME access to finances particularly targeted to geographical area of Chris Hani
- Financing initiatives to the lower income groups
- Enterprise Development
- Empowerment Financing
- Education
- Job Creation
- Community Based HIV/AIDS Programme

#### **i. Broad Based Economic Empowerment and Employment Equity**

Please outline in detail your overall BEE STRATEGY, BEE IMPLEMENTATION PLAN AND PROGRAM

#### **ii. Support to Emalahleni SMME's**

The successful bidder will be expected to demonstrate how it will assist the local SMME's. The list of the local SMMEs is maintained by the Municipality. Any interactions with the SMME's will be done with the municipality.

### **SECTION 5: DOCUMENTATION AND INFORMATION RELATED TO THE BRIEF**

- [a] Any information available at Emalahleni Local Municipality will be provided to the service provider.
- [b] Ownership of factual information, collected by the service provider and paid for by the Municipality shall vest with the Municipality. Electronic version of the information should be supplied to the Municipality.

### **SECTION 6: IMPLEMENTATION SCHEDULE**

- The service provider will be responsible for the compilation of the "Project Programme", detailing activities and time frames for provision of the Terms of Reference. This should be provided to Emalahleni Local Municipality within a week of appointment and presented to the Project Manager.
- Any deviation from the accepted Programme should be pre-negotiated with the Municipality.

### **SECTION 7: SCHEDULE OF FEES**

Bidders must be transparent in all their pricing. Please provide us with a detailed list of your pricing quoting prices including VAT for the criteria listed below:

Please provide unit of measure specify if the rate will be measure per transaction/annually.

<b>No.</b>	<b>Services Required</b>	<b>AMOUNT</b>
1.	Monthly Account fee	
2.	Cash deposit fee	
3.	Cash handling fee	
4.	Cheque service fee	
5.	Electronic Subscription Services	
6.	Supply of deposit books	
7.	Cash deposit errors	
8.	Tracing of R/D cheques – R/D cheque fee	
9.	Tracing cheques lost in transit	
10.	Verification of cheque issued	
11.	Audit confirmation letters / certificates	
12.	Delivery of Statements	
13.	Returned/ Disputed debit order	
14.	Download bank statements	
15.	Hard copies of historic information requested	
16.	Deposit error corrections reported within 48 hours	
17.	EFT facility to effect salary payments	
18.	Charges relating to users password forgotten or reactivation of users / password reset.	
19.	Statement Fees	
20.	Cancellation of debit orders	
21.	Cheque collection facility	
22.	Query of unknown deposits	
23.	Electronic Funds Transfer (EFT)	
24.	Rejection of incorrect beneficiary/customer account/reference numbers	
25.	Cash storage machines – include installation fees and maintenance	
26.	Card swiping machines	
27.	Investment and Overdraft interest	
28.	Fleet Cards	
29.	Protection against fraud per annual	

**N.B A full list of all electronic, rates, services and other products charged in addition to the above must also be attached to the bid document.**

***SECTION 8: FORMAT FOR SUBMISSION FOR THE PROVISION OF BANKING SERVICES TO THE EMALAHLENI LOCAL MUNICIPALITY***

Proposed format for submission

1. Information and background
2. Employment equity and employment profile
3. Branch network within Emalahleni Local Municipality Region
4. Solutions to services required as per tender specifications
5. Pricing / Cost Structure

- Standard prices (schedule to be attached )
- Transitional costs

6. Corporate Social Investment
7. Relationship Management team
8. Proof of Registration in terms of the Bank Act
9. Proof of membership of the Payments Association and Credit Clearance House
10. Memorandum or articles of association, and / corporate registration documents
11. Confirmation of shareholders' funds as at to date of the last financial year (extract of the Audited AFS )
12. Proof of fidelity cover
13. Tax clearance certificate
14. Contactable reference

## 2.2 TENDER OFFER

I, \_\_\_\_\_ (duly authorized to represent the tenderer for the purpose of this tender), hereby tender to supply all or any of the goods and/or render all or any of the services described in the attached document to the Emalahleni Local Municipality on the terms and conditions stipulated in this tender document and in accordance with the specification stipulated in the tender document at the prices reflected in the *Contract Form/Price Schedule*.

**BIDDERS TOTAL OFFER (Inclusive of vat and all other charges)**

R. ....

The tenderer agrees that:

1.1 The tender offer submitted shall remain valid, irrevocable and open for written acceptance by the Emalahleni Local Municipality for a period of 90 days from the closing date or for such extended period as may be applicable;

1.2 The tender offer will not be withdrawn or amended during the aforesaid validity period;

1.3 Notwithstanding the above, the tenderer may submit a written request to the Emalahleni Local Municipality after the closing date for permission to withdraw the tender offer. Such withdrawal will be permitted or refused at the sole discretion of the Emalahleni Local Municipality after consideration of the reasons for the withdrawal, which shall be fully set out by the tenderer in the written request for withdrawal;

1.4 Should the tender offer be withdrawn in contravention of 3.1 to 3.3 above, the tenderer agrees that:

- (a) it shall be liable to the Emalahleni Local Municipality for any additional expense incurred by the Emalahleni Local Municipality in having either to accept another tender or, if new tenders have to be invited, the additional expenses incurred by the invitation of new tenders and the subsequent acceptance of any other tender;
- (b) the Emalahleni Local Municipality shall also have the right to recover such additional expenses by set-off against moneys which may be due or become due to the tenderer under this or any other tender or contract or against any guarantee or deposit that may have been furnished by the tenderer or on its behalf for the due fulfilment of this or any other tender or contract. Pending the ascertainment of the amount of such additional expenses, the Emalahleni Local Municipality shall be entitled to retain such moneys, guarantee or deposit as security for any loss the Emalahleni Local Municipality may suffer due to such withdrawal.

1.5 The tenderer agrees that this tender and its acceptance shall be subject to the terms and conditions contained in the Emalahleni Local Municipality's Supply Chain Management Policy ('SCM Policy') and Combating of Abuse of the Supply Chain Management System Policy ('Abuse Policy').

\_\_\_\_\_  
Signature(s)

\_\_\_\_\_  
Print name(s):  
On behalf of the tenderer (duly authorised)

\_\_\_\_\_  
Date

**MBD 4**

**DECLARATION OF INTEREST**

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
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, shareholder<sup>2</sup>):.....

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. ....

.....

<sup>1</sup>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.

<sup>2</sup> 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**

## MBD 6.1

### 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
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

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:

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

Where

- Ps = Points scored for price of tender under consideration  
Pt = Price of tender under consideration  
Pmin = 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:

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

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)	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)
<b>Youth</b>		<b>10</b>		
<b>Women</b>		<b>10</b>		
<b>Price</b>		<b>80</b>		

**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.

**WITNESSES:**

1. ....

.....  
 SIGNATURE(S) OF BIDDER(S)

2. ....

DATE:.....

ADDRESS:.....

.....

.....

.....

**MBD 7.1**

**CONTRACT FORM - PURCHASE OF GOODS/WORKS**

**THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.**

**PART 1 (TO BE FILLED IN BY THE BIDDER)**

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)..... in accordance with the requirements and specifications stipulated in bid number... .. at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
  
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Technical Specification(s);
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
  
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
  
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
  
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
  
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

<b>WITNESSES</b>	
1	.....
2.	.....
DATE:	.....

**MBD 7.1**

**CONTRACT FORM - PURCHASE OF GOODS/WORKS**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity as..... accept your bid under reference number ..... dated..... for the supply of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE APPLICABLE (ALL TAXES INCLUDED)	BRAND	DELIVERY PERIOD	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorized to sign this contract.

SIGNED AT ..... ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

**WITNESSES**

1. ....

2. ....

DATE .....

**MBD 8**

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

- 1 This Municipal Bidding Document must form part of all bids invited.
- 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:
  - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. 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	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><b>The Database of Restricted Suppliers now resides on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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><b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>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?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality, or to any other municipality, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality 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 <input type="checkbox"/>	No <input type="checkbox"/>
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**

**MBD 9**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_ (Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_ (Emalahleni 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;
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 consortium<sup>3</sup> 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;
  - (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**

## 10. CONDITIONS OF TENDER

### TENDER CONDITIONS AND/OR INSTRUCTIONS SET OUT BELOW MUST BE STRICTLY ADHERED TO, FAILING WHICH THIS TENDER SUBMISSION WILL BE DECLARED NON-RESPONSIVE.

- 10.1. No tender will be considered unless submitted on this Emalahleni Local Municipality tender document.
- 10.2 Any portion of the tender document not completed will be interpreted as 'not applicable'. Notwithstanding the foregoing, failure to complete any compulsory portion of the tender document may result in the tender being declared non-responsive.
- 10.3 Tenders must be properly received and deposited, on or before the closing date and before the closing time, in the relevant tender box. If the tender submission is too large to fit in the allocated box, please enquire at the reception for assistance.
- 10.4 The Emalahleni Local Municipality reserves the right to accept:
- the whole tender or part of a tender or any item or part of any item, or to accept more than one tender (in the event of a number of items being offered), and the Emalahleni Local Municipality is not obliged to accept the lowest or any tender;
  - a tender which is not substantially or materially different from the tender Specification.
- 10.5 and 10.6 The Emalahleni Local Municipality shall not consider tenders that are received after the closing date time for such a tender.
- 10.7 clarification The Emalahleni Local Municipality will not be held responsible for any expenses incurred by tenderers in preparing and submitting tenders.
- 10.8 The Emalahleni Local Municipality may, after the closing date, request additional information or of tenders in writing.
- 10.9 A tenderer may request information, after the closing date, in accordance with the Promotion of Administrative Justice Act, Act 3 of 2000, and the Promotion of Access to Information Act, Act 2 of 2000.
- 10.9 A tenderer may request in writing, after the closing date, that the tender offer be withdrawn. Such withdrawal will be permitted or refused at the sole discretion of the Emalahleni Local Municipality after consideration of the reasons for the withdrawal, which shall be fully set out by the tenderer in such written request for withdrawal.
- 9.10 A tender submitted:
- by a registered company may not be considered unless accompanied by a resolution by the Directors of the company authorising the tender to be made and the signatory to sign the tender on the company's behalf (**Schedule 1** to be completed);
  - by a registered close corporation may not be considered unless accompanied by written authority from all the members of the close corporation authorising the tender to be made and the signatory to sign the tender on the close corporation's behalf (**Schedule 1** to be completed);
  - by a partnership/consortium/joint venture may not be considered unless accompanied by written authority from all parties to the partnership/consortium/joint venture authorising the tender to be made and the signatory to sign the tender on the partnership/consortium/joint venture's behalf (**Schedule 2** to be completed).
- 10.11 **Partnerships/Consortiums/Joint Ventures**  
In the case of partnerships/consortiums/joint ventures, a copy of the partnership/consortium/joint venture agreement must be submitted with the tender document (attached to **Schedule 2**). All parties/partners to the partnership/consortium/joint venture agreement must be registered on the Emalahleni Local Municipality Supplier Database.

### **10.12 Validity Period**

Any tender submitted shall remain valid, irrevocable and open for written acceptance by the Emalahleni Local Municipality for a period of 120 days from the closing date or for such extended period as may be applicable.

The tender offer will not be withdrawn or amended during the aforesaid validity period. The aforesaid validity period may be extended by the provided that the original validity period has not expired, and that all tenderers are given an opportunity to extend such period. Any such extension shall be agreed to by a tenderer in writing.

Tenderers who fail to respond to such a request before the validity of their tender expires or who decline such a request shall not be considered further in the evaluation process.

In the event that an appeal in terms of the Systems Act 32 of 2000, is received, the validity period of the tender shall be deemed to be extended until finalisation of the appeal; unless the tenderer has requested in writing that its tender be withdrawn. The provisions in respect of withdrawal as set out in 10.9 above will apply to such withdrawal.

### **10.13 Tax clearance**

No award shall be made to a person whose tax matters have not been declared to be in order by the South African Revenue Service (SARS).

Tenderers are therefore required to obtain a valid Tax Clearance Certificate from the local SARS office where such tenderer is registered for income tax/VAT purposes.

It is the responsibility of each supplier (successful tenderer) to submit updated original tax clearance certificates to the Supplier Management Office (in the Supply Chain Management department should any current certificate expire during the contract period. Failure to do so may lead to the suspension of transactions with the supplier until a valid tax clearance certificate is received by the Supplier Management Office. Each party to a consortium/joint venture/partnership must comply with all of the above.

### **10.14 Inducements, rewards, gifts and other abuses of the Supply Chain Management System**

No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of, may directly or indirectly:

- a. influence or interfere with the work of any Emalahleni Local Municipality officials involved in the tender process in order to inter alia:
  - influence the process and/or outcome of a tender;
  - incite breach of confidentiality and/or the offering of bribes;
  - cause over- or under-invoicing;
  - influence the choice of procurement method or technical standards;
  - influence any Emalahleni Local Municipality official in any way which may secure an unfair advantage during or at any stage of the procurement process.

Abuse of the supply chain management system is not permitted and may result in the tender being rejected, cancellation of the contract, 'blacklisting' and/or any such remedies as set out in the Emalahleni Local Municipality SCM Policy and Abuse Policy.

### **11. Declarations and authorization**

Tenderers are required to complete all statutory declarations and authorizations in the schedules attached to this tender document, failing which the tender may be declared non-responsive.

### **12. Alternative offers**

Alternative tenders may be considered, provided that a tender free of qualifications and strictly in accordance with the bid documents is also submitted. The Emalahleni Local Municipality shall not be bound to consider alternative tenders.

**13. Objections, Complaints, Queries and Disputes / Appeals in terms of Section 62 of the Systems Act / Access to Court**

**Objections, complaints, queries and disputes**

- 13.1 Persons aggrieved by decisions or actions taken by the Emalahleni Local Municipality in the implementation of the supply chain management system or any matter arising from a contract awarded in terms of the supply chain management system may, within 14 days of the decision or action, lodge a written objection or complaint or query or dispute against the decision or action.

**Section 62 Appeals**

- 13.2 In terms of Section 62 of the Systems Act (Municipal Systems Act, Act 32 of 2000), a person whose rights are affected by a decision taken by a political structure, political office bearer, Board of directors or staff member of a Emalahleni Local Municipality in terms of a power or duty delegated or sub-delegated by a delegating authority may appeal against that decision by giving written notice of the appeal and reasons to the Accounting Officer within 21 days of the date of the notification of the decision.

- 13.3 An appeal shall contain the following:
- i. The reason and /or ground for the appeal.
  - ii. The way in which the appellant's right have been affected ;
  - iii. The remedy sought by the appellant's.

**Access to court**

The clauses above do not influence any person's rights to approach the High Court at any time or their rights in terms of the Promotion of Administrative Justice Act, Act 3 of 2000 ('PAJA'), or the Promotion of Access to Information Act, Act 2 of 2000 ('PAIA').

## 11. GENERAL CONDITIONS OF CONTRACT

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### General Conditions of Contract

**1. Definitions** 1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day. 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.8 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.9 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

"Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.10 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.11 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.12 "GCC" means the General Conditions of Contract.

1.13 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

## **2. Application**

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

### **3. General**

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

### **4. Standards**

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

#### **5. Use of contract documents and information; inspection.**

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

### **6. Patent rights**

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

### **7. Performance security**

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
- (b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

### **8. Inspections, tests and analyses**

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

## **9. Packing**

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery and documents**

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

## **11. Insurance**

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

**12. Transportation** 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

## **13. Incidental services**

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;

- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

#### **14. Spare parts**

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
  - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

#### **15. Warranty**

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

#### **16. Payment**

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

#### **17. Prices**

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

## **18. Contract amendments**

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

## **19. Assignment**

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

## **20. Subcontracts**

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

## **21. Delays in the supplier's performance**

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

## **23. Termination for default**

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered,

and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.4 Any restriction imposed on any person by the Accounting Officer will, at the discretion of the Accounting Officer, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer actively associated.

23.5 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.6 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

#### **24. Anti-dumping and countervailing duties and rights**

24.1 When, after the date of bid, provisional payments are required, or antidumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

#### **25. Force Majeure**

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

#### **26. Termination for insolvency**

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

## **27. Settlement of Disputes**

### **Limitation of liability**

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

## **30. Applicable law**

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

## **31. Notices**

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

## **32. Taxes and duties**

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

## **33. National Industrial Participation (NIP) Programme**

## **34 Prohibition of Restrictive practices**

33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

## SUPPORTING SCHEDULES

### SCHEDULE 1. RESOLUTION OF DIRECTORS / MEMBERS

**RESOLUTION for completion by Directors (if the tenderer is a (Pty) Ltd or Ltd) or Members (if the tenderer is a CC)**

**NAME OF TENDERER:** \_\_\_\_\_

Meeting held at \_\_\_\_\_ (place) On \_\_\_\_\_ (date)

**RESOLVED THAT:**

1. The Tenderer submits a tender to the Emalahleni Local Municipality in respect of Bid No:

\_\_\_\_\_ ELM/5/03/2026T

Mr/Mrs/Ms \_\_\_\_\_ in his/her capacity as \_\_\_\_\_ and who will sign as follows:

\_\_\_\_\_  
(SPECIMEN SIGNATURE)

be, and is hereby, authorised to sign the tender and any and all other documents and/or correspondence in connection with and relating to the tender, as well as to sign any contract and or all documentation resulting from the award of the tender to the Tenderer.

**Note:** The resolution must be signed by all the directors /members of the Tenderer. Should the space provided below not be sufficient for all directors/members to sign, please attach a separate sheet to this schedule in the same format.

	Name	Capacity	Signature
1			
2			
3			
4			
5			

**SCHEDULE 2. CERTIFICATE OF AUTHORITY FOR PARTNERSHIPS /CONSORTIUMS / JOINT VENTURES**

**This returnable schedule is to be completed if the tender is submitted by a partnership/consortium/joint venture.**

1. We, the undersigned, are submitting this tender offer as a partnership/consortium/joint venture and hereby authorise Mr/Ms \_\_\_\_\_, of the authorised entity \_\_\_\_\_, acting in the capacity of lead partner, to sign all documents in connection with the tender offer and any contract resulting from it on the partnership/consortium/joint venture's behalf.

2. By signing this schedule the partners to the partnership/consortium/joint venture:

Warrant that the tender submitted is in accordance with the main business and objectives of the partnership/consortium/joint venture;

Agree that the Emalahleni Local Municipality shall make all payments in terms of this Contract into the following bank account of the Lead Partner:

Account Holder: \_\_\_\_\_

Financial Institution: \_\_\_\_\_

Branch Code: \_\_\_\_\_

Account No.: \_\_\_\_\_

Agree that in the event that there is a change in the partnership/consortium/joint venture and/or should a dispute arise between the partnership/consortium/joint venture partners, that the Emalahleni Local Municipality shall continue to make any/all payments due and payable in terms of the Contract into the aforesaid bank account until such time as the Emalahleni Local Municipality is presented with a Court Order or an original agreement (signed by each and every partner of the partnership/consortium/joint venture) notifying the Emalahleni Local Municipality of the details of the new bank account into which it is required to make payment.

Agree that they shall be jointly and severally liable to the Emalahleni Local Municipality for the due and proper fulfilment by the successful Tenderer/supplier of its obligations in terms of the Contract as well as any damages suffered by the Emalahleni Local Municipality as a result of breach by the successful Tenderer/supplier. The partnership/consortium/joint venture partners hereby renounce the benefits of excussion and division.

<b>SIGNED BY THE PARTNERS OF THE PARTNERSHIP/CONSORTIUM/JOINT VENTURE</b>		
<b>NAME OF FIRM</b>	<b>ADDRESS</b>	<b>DULY AUTHORISED SIGNATORY</b>
Lead partner		Signature..... Name..... Designation.....
		Signature..... Name..... Designation.....

		Signature..... Name..... Designation.....
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**Note:** A copy of the Joint Venture Agreement shall be appended to **Schedule 3.**

**SCHEDULE 3. LIST OF OTHER DOCUMENTS ATTACHED BY TENDERER**

The tenderer has attached to this schedule the following additional documentation:		
	<b>Date of Document</b>	<b>Title of Document or Description</b>
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		



**ANNEXURE C**  
**JOINT VENTURE DISCLOSURE FORM**

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**1A     JOINT VENTURE REQUIREMENTS**

**DEFINITION:- “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.

Should a group of companies/firms and/or interested parties wish to enter into a joint venture/consortium agreement the following minimum requirements must be met:-

1. A copy of the joint venture/consortium agreement must be attached.
2. Each member of the joint venture/consortium must provide a Tax Clearance Certificate
3. After award of a contract to a joint venture, the successful joint venture partners must provide a joint venture Tax Clearance Certificate and the joint venture banking details.
4. A trust, consortium or joint venture will qualify for points of their specific goals status level as a legal entity, provided that the entity submits their full CSD Report

The joint venture/consortium agreement must contain the following:-

- a. Who the managing member will be.
- b. Who the signatory of authority will be.
- c. How the joint venture/consortium share of profit will be split.
- d. The bank account details where payments will be deposited into.
- e. The agreement must be signed by all parties.
- f. The agreement must be certified by a Commissioner of Oaths.
- g. The postal and physical address where all correspondence will be sent to.



**ANNEXURE E  
BID CHECK LIST**

All ELM individual bid documents will have the typical bid check list as an attachment. This list is to assist all bidders to submit complete bids. Bidders are to check the following points before the submission of their bid:

No.	Description	✓ OR N/A
1.	All pages of the bid document have been read by the bidder.	
2.	Completed the bid document in BLACK ink.	
3.	Totals from the specification / costing annexure have been carried forward to the Bid Form (MDB 1).	
4.	Totals from the specification / costing annexure must also be carried forward to the summary page in section 3.2 of the tender document.	
5.	Surety details have been included in the bid.	
6.	Completed and signed the Invitation to Bid (MBD 1)	
7.	Has not used correctional fluid (tippex) on the Pricing Schedule, Invitation to Bid (MBD 1) and any of the declaration forms.	
8.	Has attended the compulsory briefing session and has signed the attendance register.	
9.	Has fulfilled or offered equal or more than the exact specifications as listed in the schedule or terms of reference.	
10.	Has fulfilled any other special conditions included in the bid document.	
11.	Has completed the: - Pricing Schedule - Firm Prices (MBD 3.1)	
12.	Has completed and signed the Declaration of Interest (in the service of the State) (MBD 4)	
13.	Has completed and signed the Declaration of Validity of Information	
15.	Has claimed the respective preference points in terms of the Preferential Procurement Regulations 2011 by completing the Preference Points Claim Form (MBD 6.1)	
16.	Has completed and signed the Declaration Certificate for Local Production and Content (MBD 6.2)	
17.	Has provided proof of SARB exchange rate for the Local Production and Content Requirement (if applicable).	
18.	Has completed and signed the contract form for purchase of goods/works form MBD 7.1 (part 1 and part 2) and / or contract form for of services MBD 7.1	
19.	Has completed and signed the Declaration of Bidder's Past SCM Practices (MBD 8)	
20.	Has completed and signed the Certificate of Independent Bid Determination (MBD 9)	
21.	Has the Joint Venture Agreement been signed and attached to the bid document (in respect of bids where a joint venture has been entered into).	
22.	Has the audited Annual Financial Statements for the past three (3) years been attached to the bid document (in respect of bids exceeding R10m).	
23.	Has the particulars of any contracts awarded to the bidder by an organ of state in the past five (5) years been attached to the bid document for bids exceeding R10m.	
24.	Has provided an original and current Tax Clearance Certificate.	
26.	If Sub-Contracting a portion of the works, has the service provider submitted details of the sub-contract together with the names of the sub-contractor to ELM.	
27.	If construction project (CIDB), has completed and signed the Compulsory Enterprise Questionnaire.	
28.	If construction project (CIDB), and in the case of a JV, has each partner of the JV completed a separate Compulsory Enterprise Questionnaire.	
29.	If construction project (CIDB), is registered with the Construction Industry Development Board (CIDB) and has at least the required grade and in the required class of works.	
30.	If construction project (CIDB), has completed the Form of Offer in words.	