



CONTRACT NO: BW241/HO/STI/20

BLOEMWATER

PROVISION OF SHORT-TERM INSURANCE FOR PERIOD OF 36 MONTHS

PROCUREMENT DOCUMENT

MARCH 2020

TENDER SUBMITTED BY:

Registered Name of Company:.....

Address:

Telephone Number:

Fax Number:

E-mail:

Issued by:



Bloemwater
PO Box 30121
Pellissier
9322

Contact

Name: Mr O Stadler
Telephone: 051 – 403 0800
Fax: 051 – 422 5333
E-mail: ockies@bloemwater.co.za

ISSUE DATE: 12 MARCH 2020

COMPULSORY SITE MEETING DATE: NONE

CLOSING DATE: 17 APRIL 2020

**PROVISION OF SHORT-TERM INSURANCE FOR PERIOD OF 36 MONTHS
 CONTRACT NO: BW241/HO/STI/20**

TENDER SUMMARY PAGE

TENDERER				
	(Name of Tenderer)			
TELEPHONE	FAX			
TOTAL PRICE (Incl. VAT)				
	(in words)			
	(in words)			
	(in figures)			
COMPLETION PERIOD				
	(weeks)			
PREFERENCES CLAIMED FOR:				
LOCAL ENTERPRISE:	YES	<input type="checkbox"/>	NO	<input type="checkbox"/>

Note: This page is used for tender opening purposes only. Where there is a discrepancy between this page and the Form of Offer and Acceptance, then the latter will be taken as the valid offer.

Tender Notice and Invitation to Tender

Bloemwater is a schedule 3B Public Business Enterprises (PFMA, Act 1 of 1999), which has been established in terms of the Water Services Act (Act 108 of 1997).

Bloemwater is a Water Board, with the mandate to provide water services to the Southern and Central areas of the Free State Province.

Bids are hereby invited from experienced and suitable capable service providers to be appointed as the Short-Term Insurance Broker for Bloemwater.

You are hereby invited to submit your tender in respect of the rendering of insurance (risk financing), short-term insurance brokering services as well as supporting services such as claims management to Bloemwater, and to do so, on the following conditions:

1. Your tender must be submitted in one original and must be submitted by not later than the date and time as required. No tender received after this date and time will be considered.
2. Your tender should be submitted to specifically meet the Mandate and requirements as outlined in this tender specification document.
3. Tenders may only be submitted in the tender format provided and should not be retyped. All prices must be clearly discernible.
4. The additional information required should be provided by completion and submission of the relevant pages in this tender document. Should the space allowed for this be insufficient, tenderers may add additional pages, with clear cross-references, as annexures to their tenders.
5. Your tender is to be valid until 30 June 2023 and you will undertake not to amend the terms or conditions prior to that date.
6. The successful tenderer will be required to render its services subject to the contractual requirements as stipulated in the tender and to enter into a Service Level Agreement with Bloemwater including the duly accepted Broker Service Plan. A copy of the tenderer's proposed agreement as well as Broker Service Plan should be included for consideration.

SCOPE OF WORK

Bloemwater hereby invites tenders from suitably qualified and experienced Short-Term Insurance Brokers. The bidders should be experienced in rendering insurance services to public entities or government institutions and have a soundtrack record of work of a similar nature. Bidders are requested to attach proof of the above on the respective company letterhead. The contract period is for Thirty Six months (3 years).

The scope of work includes and addresses the following:

- Provision of short-term insurance cover for Bloemwater assets portfolio and related perils.
- Provision of regular services including advice and consultation on Risk Management and property insurance related measures.
- A comprehensive and specific insurance portfolio that represents Bloemwater in all insurance related matters with the insurers.

- Implementation Plan for Thirty-Six Months (3 years) contract with specific details which will be offered by the successful bidder and will be reviewed annually.
- Bidders are required to submit proposals on the best value for money insurance covers out in the market relating to the following items:
 - Insurance Cover for all Bloemwater insurable Assets
 - SASRIA
 - Loss of Revenue
 - Assets All Risk
 - Fidelity
 - Public Liability
 - Directors & Officers Liability
 - Personal Accident
 - Marine
 - Plant All Risk
 - Motor Fleet

Pre- Qualification Specific Tender Conditions:

The pre-qualifying criteria objective is to advance certain designated groups that meets the specific tendering condition:

(a) a tenderer having a stipulated minimum B-BBEE status level of contributor **Level 4**;

“Designated group” means

- i. Black people
- ii. Black Designated groups
- iii. Women
- iv. People with disabilities; or
- v. Small enterprise, as defined in the National Small Enterprise Act, 1996 (Act No. 102 of 1996)

Preference will be given to Service Providers who have demonstrated previous expertise in the relevant field, capabilities, and have the required qualified human resources.

A tender that fails to meet the pre-qualifying criteria stipulated in the tender documents is an unacceptable tender as stipulated in the PPPF Act 2017, (Act No.5 of 2000): Government Gazette No.40553

Firms who meet the specified pre-qualification will be further evaluated in line with the 80/20 method as per the PPPF Act; Bloemwater reserves the right not to award the tender to the highest scoring bidder.

Where bid documents can be obtained:

Tender documents are downloadable from **Thursday, 12 March 2020**.

Website: www.etenders.gov.za - National Treasury Website – eTender Publication

Website: www.bloemwater.co.za – Bloemwater Website

A compulsory briefing session will not be held.

Completed proposals must be addressed as below and deposited before **12:00 on Friday, 17 April 2020** at the Tender Box situated at the Bloemwater Reception Area for Attention:

Mr Lerato Moeketsi

Supply Chain Management
Bloemwater
2 Mzuzu Street
Pellissier
Bloemfontein
9322

The office coordinates are - **29°08'42.2"S 26°09'23.5"E**

Each proposal must be submitted in One **(1) envelope** clearly marked:

- 1. Request for Proposal (RFP): Provision of Short-Term Insurance for Period of 36 Months – Contract No.: BW241/HO/STI/20 with the bidder's name and address.** Bloemwater promotes Broad-Based Black Economic Empowerment. The name of the firm submitting the tender shall be clearly shown on all correspondence. An appointment will be made in terms of the approved Supply Chain Management Policy of the Board of Bloemwater.

Service Providers who meet the specified quality criteria will be further evaluated in line with the Preferential Procurement Policy Framework Act (PPPFA) principle of 80/20. Bloemwater reserves the right not to award the tender to the highest scoring bidder.

Tenders may only be submitted on the tender documentation that has been issued. **One-envelope system will be followed.**

Proposals which are incomplete, filled incorrectly, or telegraphic, telephonic, telex, facsimile, e-mail and late tenders will not be accepted.

Should you do not receive any feedback from Bloemwater after 60 days of submission, consider your tender unsuccessful.

Technical Queries can be directed to:

Mr Ockie Stadler
Chief Financial Officer (CFO)
Tel: 051-403 0800
Fax: 051-422 5333
E-mail: ockies@bloemwater.co.za

Tender Administrative Queries can be directed to:

Mr T Khaeane or Mr L Moeketsi
Supply Chain Management
Tel: 051 - 403 0800
Fax: 051 – 422 5333
Email: thatok@bloemwater.co.za or leratom@bloemwater.co.za

NB: Service Providers to all departments, constitutional institutions and public entities listed in schedule 2 and 3 of the PFMA are required to self-register on the Central Supplier Database.

Eligibility Criteria

Only those Bidders who satisfy the following criteria are eligible to submit tenders:

The bidder's primary business is to provide supplies or services as per the bid invitation.

Accept that all returnable documents and schedules which are required to be certified are done so by a registered Commissioner of Oaths of the Republic of South Africa.

- a) The Employer will only enter into a formal contract with a tenderer who is registered on the National Treasury Central Supplier Data Base. In the case of Joint Venture partnerships this requirement will apply individually to each party of the Joint Venture.
- b) The tender has not failed to perform on any previous contracts and has been given a written notice to this effect.
- c) The Bidder or any of its Directors is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector.
- d) Only authorised signatories may sign the original and all copies of the tender offer.
- e) Bidders shall be registered and in good standing with the South African Revenue Services (SARS) and should be able to submit a valid tax clearance certificate issued by SARS. Each party to a Consortium/Joint Venture should be able to submit a separate valid Tax Clearance Certificate and attach it to the schedule.
- f) Standard Bidding Documents (SBD)

The following standard SBD's should be completed (if applicable) legibly and in full in terms of the requirements of the Department of National Treasury of the Republic of South Africa:

SBD1:	Invitation to bid and company information
SBD2:	Tax clearance certificate requirements
SBD3.3:	Pricing Schedule for Professional Services
SBD4:	Declaration of interest
SBD6.1:	Preference points claim form
SBD8:	Declaration of bidder's past supply chain management practice
SBD9:	Certificate of independent bid determination

- g) The Bidder should be able to submit the following proof of company registration:
 - Certified copy of certificate of Incorporation if Bidder is a company or;
 - Certified copy of founding statement if Bidder is a closed corporation or;
 - Certified copy of Partnership agreement if Bidder is a partnership or;
 - Certified copy of Identity document if Bidder is a one-man concern.
- h) Certified copy of joint venture agreement if Bidder is a joint venture.

- i) Must be registered with relevant professional body i.e. Financial Intermediaries Association of Southern Africa (FIA)
- j) Particulars of Professional indemnity insurance - Provide full details of your professional indemnity insurance arrangements. State underwriter, limits of any one occurrence and deductible as well as maturity dates.
- k) Fidelity guarantee insurance - Provide full details of your fidelity guarantee insurance arrangements. State underwriter, limits of any one occurrence and deductible as well as maturity dates.
- l) Audited financial statements - Attach a copy of your most recent and available audited financial statements for Risk Assessment

TENDER EVALUATION CRITERIA

Scores will be allocated to each of the criteria and sub-criteria based on the indicators contained in these schedules.

Notes for Functionality (quality) assessment (reference to table below):

The Bidder shall compile a list with relevant proof of each project claimed for points allocation. The list shall:

- Clearly describe the scope of works of the project/s with reference to the evaluation indicators in the table below; and
- Only projects with corresponding reference letters or completion certificates/ letters from the Client will be considered

Nr	Description	Points weighing	Detail of points system
1	<p>Projects completed in the last 5 years:</p> <p>The Insurance firm (and the specific office from which the assignment would be conducted) should have relevant experience in the water sector. Supply list of previous clients in the water sector in the last 5 years.</p>	30	<p>3 - Projects (30 Points) 2 - Projects (20 Points) 1 - Project (10 Points)</p>
2	<p>Locality:</p> <p>The Insurance firm's office and insurance team should be based in Bloemfontein? Proof of physical address.</p>	15	<p>15 points if company is based in Bloemfontein, otherwise 0.</p>
3.1	<p>Human Resources Capacity:</p> <p>The audit team should have sufficient Qualifications, knowledge and experience (specific reference should be made to expertise in auditing complex information and communication technology systems).</p> <p>Qualifications and experience of insurance team needs to be submitted.</p>	15	<p>Qualifications and experience of Insurance team - 20 points if documents submitted and they have the necessary qualifications and experience, otherwise 0.</p>

3.2	<p>Human Resources Capacity:</p> <p>Insurance Support Staff</p> <p>Insurance support staff with 2-4 years relevant experience in short term brokering services of Public Sector Environment.</p>	10	<p>2-4 Years' Experience (10 Points) (75% of team members must have 2-4 years' experience) 1 Year Experience (5 Points) (75% of team members must have 1-year experience)</p>
4	<p>The firm should have Short Term Insurance brokering services experience in companies with Total Asset value (Cost Price) of more than R 800 Million. List of companies should be provided.</p>	10	<p>4 - Organizations (10 Points) 3 - Organizations (8 Points) 2 - Organizations (5 Points) 1 - Organization (2 Points)</p>
5	<p>Detailed approach and method statement</p>	20	<p>1) Bidders are required to provide a brief description of their methodology and proposed approach indicating the understanding of the scope of work and the expected deliverables for this Short-Term Insurance brokering services - (10)</p> <p>2) Proposed Project Organization and Staffing - (5)</p> <p>3) Bidders are required to provide a proposed Programme in a Gantt Chart - (5)</p>
	<p>Total Score</p>	100	

The Bidder must comply with the minimum requirements in accordance with the functionality criteria listed above and must score at least **70%** for Functionality will qualify for the third stage of adjudication. Bids that fall below the minimum threshold of 70% will be regarded technically unacceptable and will not be considered for the next stage.

SPECIAL CONDITIONS OF CONTRACT

Definitions

Unless otherwise indicated the following words shall bear the following meanings:

1. The “Bloemwater” shall mean the Board of Bloemwater.
2. The “tender or bid” shall mean a tender or bid for the supply of short-term insurance (risk financing) broking services including related services such as claims management for Bloemwater at agreed fees, terms and conditions.
3. The “tenderer or bidder” shall mean any duly accredited person or persons or anybody, incorporated or otherwise, entity submitting a tender to arrange short-term insurance (risk financing) broking services to Bloemwater.
4. The “contract period” shall commence on 01 July 2020 to 30 June 2023 on the condition that Bloemwater would have the option to require a re-assessment of insurance and risk financing requirements on a year-to-year basis i.e. for period ending June 2017 and June 2018.
5. “Risk financing products and services” shall include insurance, re-insurance, insurance broking, insurance claims management and risk financing intermediary services as well as any associated product and services.

Failure to perform

2.1. If -

(a) the tenderer should fail to arrange the insurance or risk financing cover timeously with the insurer/consortium/supporting underwriters as stated in the proposal/tender/contract;

or

(b) Bloemwater should suffer any damage as a result of the tenderer’s failure to perform as instructed or required and expected, it is agreed that the tenderer will pay to Bloemwater the following amounts, in each case to be determined by the Accounting Officer, as liquidated damages and not as a penalty:

i) in the event of (a) an amount equal to any additional costs over and above the tender price incurred by Bloemwater to arrange any short-term insurance or risk financing in terms of the contract in a manner deemed fit by Bloemwater, together with all related costs and expenses involved.

or

ii) in the event of (b), an amount not exceeding the actual damage and costs sustained or incurred by Bloemwater.

2.1.1. The Accounting Officer will also determine the manner in which and the time when such payment of additional costs and or damages are to be paid to Bloemwater, and the decision of the Accounting Officer will be final and binding in each case.

2.2. Fees

2.2.1 Any fees by any name or intention, stated will be inclusive of VAT.

2.2.2 Fees quoted shall be in respect of twelve (12) months period as from 01 July 2020 to 30 June 2021. Fees for the 1st year of insurance must be fixed and must be commissioned based on Year 2.

2.2.3 Any proposed increases of fees for the period following 01 July 2021 should be clearly indicated as a percentage (%).

2.3. Payment of premiums

The premium payment for the period from 01 July 2017 will be made in terms of the Short-term Insurance Act and on receipt of all draft or original policy documents or proof of placement of cover and tax invoices as well as an Executive Summary of the cover stating e.g. type of cover, amount of cover, material exclusions and conditions.

In the event of an increase or decrease in assets and insurable interests, to be made through declarations, the premium will be adjusted or refunded accordingly.

Bloemwater may deduct any amount owing to Bloemwater by the short-term insurance broker under any of the provisions of this contract from any amount owing in respect of this insurance and/or risk financing portfolio. Cover must remain in full force and effect during the period that this requirement applies.

2.4. Information to be provided by tenderer

No tender will be considered, unless accompanied by sufficient information so as to indicate that the fee proposed will include the total cost of arranging and management of the insurance and risk financing portfolios including the claims management for the period 01 July 2020 to 30 June 2021.

2.5. Alternatives

The tenderer may submit an alternative proposal, which, in his opinion, is in Bloemwater's advantage economically and technically.

2.6. Variation

In the event that tenderers are offering any insurance or risk financing services and or products differing or varying from the requirements of this specification, all such variations shall be clearly indicated and described in the tender response.

2.7. Risk management

Bloemwater has already an active enterprise-wide risk management function and this tender is therefore only for the short-term insurance and risk financing broking and related services such as claims management.

The following has already been undertaken:

- Development of a Risk Management Policy
- Development of a Risk Management Committee Charter
- Strategic risk register
- Operational risk register
- Establishment and operation of an active Risk Committee
- Reporting to all levels i.e. the Board and its Committees, Management Committees as well as Business Units/Departments.

Bloemwater is actively focusing in the integration of pro-active risk management within all operational levels.

These processes consist of amongst others:

- Risk register re-evaluations;
- Updating of risk registers;

- Consideration and management of current-, emerging, unacknowledged as well as reputation risk; and
- Incident management.

2.7.1. Other risk management processes that have been implemented are as follows:

- Physical risk assessments;
- Maturity profile assessment;
- Occupational Health and Safety;
- Construction Regulations compliance;
- Emergency evacuation plans;
- Business continuity;
- Vehicle fleet management and tracking system has been installed in most vehicles; as well as Yellow Fleet;
- A time and attendance system.

2.7.2. Mandate

The tenderer may adopt any approach it deems appropriate to demonstrate the entities ability to service Bloemwater to effectively manage an insurance and risk financing portfolio optimally as well as of this magnitude.

The tenderer may approach and utilise all insurers or underwriters complying with the relevant South African statutory solvency and other legal requirements. Tenders should be accompanied by a detailed summary of the salient features of your proposed insurance and risk financing structures to be introduced if appointed as the successful broking service provider.

In principle support for the tenderer's proposals should be evidenced by a signed participation confirmation from lead as well as support insurers or underwriters, who will support your entities recommended structure and the material terms, conditions and exceptions proposed by you and or required by the insurers or underwriters must be included in the tender response.

The tenderer must disclose the lead as well as support insurers or underwriters, or consortium of insurers or underwriters to be utilised on each policy type as well as the type of policy wording in tender documents including proof of the credit ratings of all the insurers/underwriters.

Specimen insurance policies on which Bloemwater insurance and risk financing structures will be based upon are to be submitted as well as fully stating the scope of cover, terms, conditions and exceptions.

2.8. Claims management

2.8.1. Describe fully the claims management services you are able to offer.

2.8.2. If you consider it applicable please comment upon the role to be undertaken by Bloemwater in connection with the support, review and settlement of claims.

2.9. Service and remuneration

2.9.1. Service

Provide full details of the services you propose providing and the extent of such services.

2.9.2. Provide a copy of your proposed short-term insurance broker service plan for the period 01 July 2020 to 30 June 2021.

2.9.3. Remuneration

2.9.3.1. Provide full details of your remuneration requirements, per item, according to the scope of services.

2.9.3.2. Provide details of services that are not expressly catered for and the basis upon which you would require to be remunerated if Bloemwater required such services.

I/We, the undersigned, hereby confirm that all fees and any prices, for or any remuneration quoted is firm and binding from 01 July 2020 until 30 July 2021.

Signed at _____ on this the _____ day of _____
2020.

Full names

signatures

Who also confirms that he/she is duly authorised to do so.

Witness 1. _____

Witness 2. _____

OMMISSIONS AND VARIATIONS FROM BLOEMWATER'S SPECIFIC TATION AND REQUIREMENTS

(To be completed by the Tenderer)

Tenderers will be held responsible in accordance with Bloemwater's specifications/requirements as included in this tender document except in the respect as stated hereunder and the output will be subject to rejection if it is found on delivery that it does not comply with Bloemwater's specifications/requirements and any deviation is subjected to prior approval in writing by the duly authorised official of the Bloemwater.

If the tender is in accordance with Bloemwater's specifications/requirements in all respects, the tenderer must state so here:

Name of tenderer: _____

Signed at _____ on this the _____ day of _____ 2020.

Full names and signatures

Who also confirms that he/she is duly authorised to do so

Witness 1. _____

Witness 2. _____

2.10. Bloemwater's Minimum Claims Requirements

The following are Bloemwater's minimum claims requirements:

2.10.1. Claims

An updated, detailed as well as accurate claims experience report must be submitted every month i.e. last day of each month.

An updated, detailed as well as accurate claims loss ratio report must be submitted on a monthly basis i.e. 30th day of each month. Claims loss ratio must indicate as a minimum:

- Premium against claim amounts;
- How the amounts and ratios were derived at i.e. the claim numbers and amounts;
- Excel spreadsheet; and
- Graph representation.
- Recovery data report per month on a monthly basis on i.e. 30th day of each month per insurance type i.e. vehicles;
- Excess amounts payable per month on a monthly basis on the 1st day of each month.

- When an assessor or loss adjuster is of the opinion that betterment applies, Bloemwater must be notified immediately but before any appointment of service providers are undertaken. This requirement is to ensure that proper negotiations are confirmed.
- All claims payments must be undertaken by electronic funds transfer and the broker must notify Bloemwater of such payments as well as claim details.

All operational type claims such as laptops should have a maximum turnaround time of no more than two weeks, once all required documentation has been submitted. Bloemwater must timeously be informed of any reasons for the deviations.

These minimum requirements must also reflect, where applicable, in the broker service plan as well as service level agreement.

2.11. Bloemwater's Minimum Renewal Requirements

The following are Bloemwater's minimum renewal requirements:

2.11.1. Renewal

Underwriting questionnaires relevant to Bloemwater must be provided two months prior to the renewal date so as to ensure that Bloemwater's Departments could consider insurance requirements as well as complete the required application forms.

Annexure of current insurance cover must be submitted, along with renewal conditions as well as premium requirements no later than two months before expiry of any current cover.

Debit notes must be submitted physically to Bloemwater Finance Department no later than two months before renewal.

Debit notes including policy wording must be submitted within a week of an additional item being added to the insurance portfolio due to legal as well as operational procedures. The notes must also be accompanied with any instruction or requirements of underwriters.

Updated Executive Summaries must be provided as soon as any changes are effected to the Insurance Portfolio.

Statement of accounts must be provided with all invoices submitted to the Bloemwater Finance Department and if this requirement is not complied with no payments could or will be affected and the broker will thus carry the risk should payments not be effected within the required period. Bloemwater will thus carry no risk due to the non-compliance of the broker.

Any additional or existing underwriting enquiries must be responded to as soon as possible but should be within 24 hours from the time of the enquiry.

SASRIA Coupons and insurance summaries must be submitted along with the renewal documents following every renewal period.

Underwriting advices must be in writing, as well as detailed policy wording where applicable.

When renewal premiums are provided the broker must provide a table indicating as a minimum the type of cover i.e. All Risks or SASRIA, period, premium, excesses as well as fees for the applicable year.

On renewal both hard and soft copies of i.e. executive summary, coupons, confirmation of cover placed must be submitted to Bloemwater within 14 days from date of inception.

These minimum requirements must also reflect, where applicable, in the draft broker service plan as well as draft service level agreement.

2.12. Bloemwater's Expectations

Bloemwater's expectations of its service providers are to:

- Provide Minutes of scheduled meetings and provide the minutes within 7 days from date of the meetings;
- Add material value as well as support the development of the Bloemwater's resources;
- Support our endeavours to improve the circumstances of its stakeholders;
- To be treated at all times in a fair and honest manner;
- Support the Bloemwater's initiatives such as to comply with all applicable legal and best practices such as risk management in a pro-active manner;
- Comply with all legal requirements;
- Contribute towards the social development of Bloemwater's Area of Supply; and
- Minimum requirements of e.g. renewal and claims services must also reflect, where applicable, in the broker service plan as well as service level agreement.

2.13. Possible Uninsured Risks or Inadequate Limits

According to Bloemwater the following are currently possible uninsured risks and tenderers should accordingly evaluate the current cover and if necessary provide for the covers in the proposed insurance and risk financing proposals for consideration:

- Cyber risks i.e. hacking
- Directors and Officers Software and licenses e.g. electronic/information technology
- Hi-jacking of vehicles with officials
- Computer fraud e.g. money or fidelity guarantee
- Motor contingency extension
- Kidnap and Ransom recover
- Travel insurance on a declaration basis and based upon the State Benefit and Personal Accident cover limits

2.13. Bloemwater's – Loss Adjusters, Assessors and Panel beaters

Bloemwater would require tenders to provide a list of duly accredited and competent loss adjusters, assessors and Panel beaters that the brokers/underwriters intent utilising when applicable.

The list of proposed service providers should consist of a brief profile that should at least cover:

- Company Profile

- BBEE Rating Certificate
- Skills and capacity
- Competencies i.e. technical qualifications
- Accreditation e.g. specific motor manufacturers
- Contact details
- Proof of registration on the Central Supplier Database, e.g. Supplier Number and Unique Registration Number.

Should the list of approved service providers change during the period of insurance Bloemwater should be informed immediately.

Bloemwater also require copies of any loss adjuster or assessors reports as it is the intention to utilise these reports to improve on risk mitigation interventions and so reduce the incidents/claims.

It is the intention of Bloemwater to also utilise these accredited loss adjusters, assessors and Panel beaters for own damage/incident investigations.

2.14. Declaration Basis of Cover

Bloemwater is actively managing its Insurance Portfolio's and would like to undertake any changes to the portfolios on the following basis:

2.14.1. Motor vehicle portfolio

A detailed fleet register will be submitted at inception of the cover i.e. 01 July 2020

Declaration adjustments will be submitted every quarter after the inception date to allow for the insurer to update its records as well as raise the respective premiums and coupons

All vehicles at inception of the cover i.e. 01 July 2020

On acquiring any vehicle, the brokers will be informed as soon as possible

Bloemwater will on the submission of any significant loss/incident/claim provide as part of its claim supporting documents i.e. proof of ownership.

2.14.2. Electronic equipment

An asset register will be submitted at inception of the cover i.e. 01 July 2016 that would cover computers, server, laptops etcetera

Declaration adjustments will be submitted every quarter after the inception date to allow for the insurer to update its records as well as raise the respective premiums and coupons

On acquiring any specialised equipment i.e. server the brokers will be informed as soon as possible

Bloemwater will on the submission of any significant loss/incident/claim provide as part of its claim supporting documents i.e. proof of ownership

2.14.3. State benefits and Personal Accident

The number of Board Members as well as their remuneration at the time will be submitted at inception of the cover i.e. 01 July 2020.

Personal Accident

Executives – 7

Senior Management – 22

Board Members – 10

Benefits

- Death
- Permanent Total Disability
- Permanent Partial Disability
- Temporary Total Disability
- Temporary Partial Disability
- Medical Expenses

Declaration adjustments will be submitted with every general increase as well as yearly after the inception date to allow for the insurer to update its records as well as raise the respective premiums.

EXECUTIVE SUMMARY OF EXISTING INSURANCE FOR 2020/2021

DETAILED CLAIMS HISTORY

SBD 1

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF BLOEMWATER

BID NUMBER: **BW241/HO/STI/20**

CLOSING DATE: **17 April 2020** CLOSING TIME: **12:00**

DESCRIPTION: **“PROVISION OF SHORT-TERM INSURANCE FOR PERIOD OF 36 MONTHS”**

BID DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT: **Bloemwater Reception Area for Attention: Supply Chain Management, Bloemwater, 2 Mzuzu Street, Pellissier, BLOEMFONTEIN, 9322**

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

The bid box is generally open 8 hours a day (7:30am to 16:15pm), 5 days a week.

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

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

THE FOLLOWING PARTICULARS MUST BE FURNISHED

(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

NAME OF BIDDER

POSTAL ADDRESS

STREET ADDRESS

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

CELLPHONE NUMBER

FACSIMILE NUMBER CODE NUMBER.....

E-MAIL ADDRESS

VAT REGISTRATION NUMBER

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

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (SBD 6.1) YES
or NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

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

A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS); OR.....

A REGISTERED AUDITOR
[TICK APPLICABLE BOX]

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

ARE YOU THE ACCREDITED REPRESENTATIVE?
IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED? YES or NO

[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER

DATE

CAPACITY UNDER WHICH THIS BID IS SIGNED

TOTAL BID PRICE..... TOTAL NUMBER OF ITEMS OFFERED

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Mr T Khaeane or Mr L Moeketsi
Supply Chain Management
Tel: 051 - 403 0800
Fax: 051 – 422 5333
Email: thatok@bloemwater.co.za or leratom@bloemwater.co.za

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Mr Ockie Stadler
Chief Financial Officer
Tel: 051-403 0800
Fax: 051-422 5333
E-mail: ockies@bloemwater.co.za

SBD 2

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.
- 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.

SBD 4

DECLARATION OF INTEREST

Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

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

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

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:.....

2.3 Position occupied in the Company (director, trustee, shareholder², member):
.....

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

2.5 Tax Reference Number:

2.6 VAT Registration Number:

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

¹“State” means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

SBD 4

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

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

2.7.1 If so, furnish the following particulars:

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

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

Position occupied in the state institution:

Any other particulars:

.....

.....

.....

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

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

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

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

.....

.....

.....

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

2.8.1 If so, furnish particulars:

.....

.....

.....

2.9 Do you, or any person connected with the bidder, have **YES / NO**

SBD 4

any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

2.9.1 If so, furnish particulars.

.....

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

2.10.1 If so, furnish particulars.

.....

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract? **YES/NO**

2.11.1 If so, furnish particulars:

.....

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

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

SBD 4

4 DECLARATION

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

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

.....
Signature Date
.....
Position Name of bidder

SBD 6.1

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

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

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

1. GENERAL CONDITIONS

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

- the 80/20 system for requirements with a Rand value equal to or above R 30 000.00 and up to R 50 000 000.00 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000.00 (all applicable taxes included).

1.2 The value of this bid is estimated not to exceed R50 000 000.00 (all applicable taxes included) and therefore the 80/20 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

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

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

	POINTS
1.3.1.1 PRICE	80
1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION	20
Total points for Price and B-BBEE must not exceed	100

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

SBD 6.1

1.5. The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

2.1 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

2.2 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

2.3 **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

2.4 **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;

2.5 **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

2.6 **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;

2.7 **“consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;

2.8 **“contract”**Error! Bookmark not defined. means the agreement that results from the acceptance of a bid by an organ of state;

2.9 **“EME”** means any enterprise with an annual total revenue of R5 million or less.

2.10 **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;

2.11 **“functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;

2.12 **“non-firm prices”** means all prices other than “firm” prices;

2.13 **“person”** includes a juristic person;

SBD 6.1

2.14 **“rand value”** means the total estimated value of a contract in South African currency, calculated at

the time of bid invitations, and includes all applicable taxes and excise duties;

- 2.15 **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- 2.17 **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. ADJUDICATION USING A POINT SYSTEM

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

SBD 6.1

4. POINTS AWARDED FOR PRICE

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

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

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

Where

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

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

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

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.

SBD 6.1

- 5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.

- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

- 5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other

enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

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

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

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

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

8 SUB-CONTRACTING

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

8.1.1 If yes, indicate:

(i) what percentage of the contract will be subcontracted?%

(ii) the name of the sub-contractor?

(iii) the B-BBEE status level of the sub-contractor?

(iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

SBD 6.1

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm

9.2 VAT registration number

9.3 Company registration number

9.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

9.6 COMPANY CLASSIFICATION

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

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

9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBEE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

SBD 6.1

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution

WITNESSES:

1.

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

2.

DATE:

ADDRESS:

.....

SBD 6.2

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8 . 1) makes provision for the promotion of local production and content.
- 1.2. Regulation 8 . 1 prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two-stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

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

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

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

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

SBD 6.2

1.6 A bid may be disqualified if –

(a) this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation; and

(b) the bidder fails to declare that the Local Content Declaration Templates (Annex C, D and E) have been audited and certified as correct.

2. Definitions

2.1. **“bid”** includes written price quotations, advertised competitive bids or proposals;

2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);

2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;

2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility(close corporation, partnership or individual).

2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;

2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;

2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and

2.9. **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract.

3. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

4. Does any portion of the services, works or goods offered have any imported content?

(Tick applicable box)

YES		NO	
-----	--	----	--

4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za.

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

5. Were the Local Content Declaration Templates (Annex C, D and E) audited and certified as correct?
 (Tick applicable box)

YES		NO	
-----	--	----	--

5.1. If yes, provide the following particulars:

- (a) Full name of auditor:
- (b) Practice number:
- (c) Telephone and cell number:
- (d) Email address:

(Documentary proof regarding the declaration will, when required, be submitted to the satisfaction of the Accounting Officer / Accounting Authority)

6. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the Dti to verify and in consultation with the AO/AA provide directives in this regard.

SBD 6.2

LOCAL CONTENT DECLARATION (REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):

..... NB

1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on http://www.thdti.gov.za/industrial_development/ip.jsp. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then

consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names), do hereby declare, in my capacity as of(name of bidder entity),

the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
 - (ii) the declaration templates have been audited and certified to be correct.
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

SBD 6.2

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above

The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

SBD 8

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions 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 disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 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	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? (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). The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	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)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any 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"/>
4.4.1	If so, furnish particulars:		

SBD 8

CERTIFICATION

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

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS 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

SBD 9

CERTIFICATE OF INDEPENDENT BID DETERMINATION

This Standard Bidding Document (SBD) must form part of all bids¹ invited.

- 1 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).²
- 2 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 3 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 4 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

SBD 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:

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and

- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

SBD 9

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (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.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.
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