



# National Research Foundation

INVITATION TO BID (SBD 1)

YOU ARE HEREBY INVITED TO BID FOR THE FOLLOWING SPECIFIED SUPPLY REQUIREMENTS

<b>BID NUMBER:</b>	<b>NRF/iTHEMBA LABS/2014-15:05</b>	<b>CLOSING DATE:</b>	<b>26 January 2015</b>	<b>CLOSING TIME</b>	<b>11:00</b>
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## BID DESCRIPTION

**SUPPLY A ACCELERATOR GAS RECIRCULATING SYSTEM**

Preferential Procurement System Applicable (points for price: points for procurement preference) 80 :20

### BID DOCUMENTS ARE TO BE DEPOSITED IN THE BID BOX SITUATED AT:

<b>EITHER PHYSICALLY OR BY COURIER</b>		
iThemba LABS Reception Area		
cnr Jan Smuts & Empire Road		
Braamfontein,		
Johannesburg		
2050		

**Bidders should timeously deliver bids to the correct address. If the bid is late at the NRF address, it is not considered.**

The bid box is open from 08h00 to 16h30 South African times, 5 days a week (Monday to Friday).

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS IN THIS INVITATION (NOT TO BE RE-TYPED) WITH ADDITIONAL INFORMATION ON ATTACHED SUPPORTING SCHEDULES

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS - 2011, THE GENERAL CONDITIONS OF CONTRACT (NRF WEBSITE) AND SPECIAL CONDITIONS OF CONTRACT AS STIPULATED IN THIS INVITATION.

**THE FOLLOWING PARTICULARS MUST BE FURNISHED AS LEAD PAGE OF THE BID RESPONSE**

<b>BID NUMBER:</b>	<b>NRF/iTHEMBA LABS/2014-15:05</b>	<b>CLOSING DATE:</b> 26 January 2015	<b>CLOSING TIME</b>	<b>11:00</b>
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**NAME OF BIDDER**

**REPRESENTED BY**

**POSTAL ADDRESS**

**PHYSICAL ADDRESS**

<b>TELEPHONE NUMBER</b>	<b>CODE</b>	<b>NUMBER</b>
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<b>CELL PHONE NUMBER</b>	<b>CODE</b>	<b>NUMBER</b>
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<b>FACSIMILE NUMBER</b>	<b>CODE</b>	<b>NUMBER</b>
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**E-MAIL ADDRESS**

**(Stipulate)**  
**VAT REGISTRATION NUMBER:**

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? YES or NO

PREFERENCE CLAIM FORM BEEN SUBMITTED FOR YOUR PREFERENCE POINTS? (SBD 6.1) YES or NO

**(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST SUPPORT PREFERENCE POINTS CLAIMED)**

IF YES, WHO WAS THE B-BBEE 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]

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

IF YES ENCLOSE PROOF

SIGNATURE OF BIDDER \_\_\_\_\_

NAME of BIDDER \_\_\_\_\_

DATE \_\_\_\_\_

CAPACITY UNDER WHICH THIS BID IS SIGNED

**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE DIRECTED TO:**

**Contact Person:**                      **Technical Enquiries:** Mr Gerhard Badenhorst  
**Tel:**                                      +27 (0) 11 351 7000  
**Email:**                                  badenhorst@tlabs.ac.za

**Contact Person:**                      **Supply Chain Management:** Ms N Pietersen/ Mr L Sabsana  
**Tel:**                                      +27 (0) 21 843 1345/1379  
**Email:**                                  [npietersen@tlabs.ac.za](mailto:npietersen@tlabs.ac.za) or luyolo@tlabs.ac.za

**BID RESPONSE SUBMISSION FORMAT / CHECKLIST**

No of originals	1	Number of bid pack copies	4
Pack split into "Technical" and "Awarding" Sections	<u>Yes</u>	Two envelope system required	<u>Yes</u>
<b>Please tick applicable</b> Proposal – Bidder's B-BBEE Transformation Program			Yes/ No
Certified copies of certificate of incorporation (as per entity type)			Yes/ No

## **1. Background to the National Research Foundation and its business units**

The National Research Foundation (“NRF”) is a juristic person established in terms of section 2 of the National Research Foundation Act, Act 23 of 1998. The NRF is the government’s national agency responsible for promoting and supporting research and human capital development through funding the National Research Facilities and science outreach platforms and programs to the broader community in all fields of science and technology, including natural science, engineering, social science and humanities.

## **2. Context**

iThemba LABS Gauteng, a business unit of the NRF, is a nuclear physics research facility. Part of the research platforms in operation includes a 6 MV (Megavolts) EN Tandem Van De Graaff Accelerator where charged particles are accelerated in a high vacuum. (EN refers to the serial number of this particular accelerator from High Voltage Engineering). iThemba LABS Gauteng is the first country in Africa with an Accelerator Mass Spectrometry (AMS) facility.

Accelerator mass spectrometry is a technique for measuring isotope ratios with high selectivity, sensitivity, and precision that occurs naturally in our environment. AMS uses a tandem accelerator in conjunction with ion sources, large magnets, and detectors to separate out interferences and count single atoms in the presence of  $1 \times 10^{15}$  (a thousand million million) stable atoms.

The equipment procured will be installed on the 6 MV EN Tandem Van De Graaff Accelerator tank which will circulate the tank gas while drying, temperature controlling and removing dust particles from the tank gas mixture which is essential for AMS work.

## **3. Objective of the bid**

AMS requires a stable temperature, clean and dry accelerator tank gas to obtain high energy and reliable world class results. If iThemba LABS Gauteng wants to become such a facility for the local or international scientific market it is essential to install such a unit.

## **4. Specification**

### **4.1 Number of units required**

One complete unit consisting of a blower, dryer, dust filter and temperature control system.

### **4.2 Connection flanges**

Should be connected to the two outside ports of the Accelerator tank as shown in the attached drawing. Total distance between ports is 8582mm. Shown in APPENDIX A (page26).

### **4.3 Mounting orientation**

Horizontal on top of the Accelerator tank.

#### **4.4 The Accelerator Working Gas Pressure Range**

The gas inside the accelerator tank (CO<sub>2</sub>/N mixture or SF<sub>6</sub>) has a maximum working pressure of 300 PSI at room temperature.

The designed unit will have a name plate with the following information:

- Serial Number:
- Max allowed working pressure: 300PSI at 82.2°C.
- Year of build:
- The U or UM ASME Code or similar Symbol appropriated for the pressure vessel.

#### **4.5 Gas Temperature Control**

The gas temperature inside the tank will be controlled by the unit within a set range and controlled within +/- 1°C.

#### **4.6 The Gas Drying System**

The gas drying system should be able to dry the tank gas to a moisture level of 1ppm. The drying material should be from a re-generable material that can be regenerated without losing accelerator tank gas pressure at a working pressure of 300PSI

#### **4.7 The Gas Filter System**

The gas filter system should adsorb oil-aerosols and gaseous or dusty decomposition products from the tank gas at 300PSI.

#### **4.8 Power supply / Controller**

Input power: Mains - 220V AC, 50Hz, or 400V 3-phase.

#### **4.9 Environment conditions**

Ambient temperature: 10 to 30 °C

#### **4.10 Installation and commissioning**

The installation and commissioning will be conducted by qualified iThemba LABS technical personnel.

#### **4.11 Warranty period**

Minimum of a three (3) year warranty.

#### **5. Product documentation**

Complete data sheet, operating and user manuals should be provided for all maintenance, control and operational use of the recirculating system.

Supplier shall provide a complete list of documents to be supplied with the order.

#### 6. After sales support

The supplier must provide a written guarantee that mechanical and electrical/electronic spares will be available for at least fifteen (10) years.

#### 7. Time for delivery

The supplier shall specify lead time for delivery. Final delivery dates to be agreed at time of placement of order.

#### 9. Product / Service Delivery Validation

Invoices shall be submitted to iThemba LABS, Gauteng. Representatives of iThemba LABS will validate goods and service delivery.

#### 10. Penalties

iThemba LABS shall apply a monetary penalty based on the contract price and calculated using the current prime interest rate for every day of late delivery of goods or services. (Refer to Clause 22 of the General Conditions of Contract (GCC) of the National Treasury).

#### 11. Pricing Intervals

iThemba LABS undertakes to pay **validated** invoices in full within thirty (30) days from the monthly invoice date.

#### 12. Pricing Schedule for the Duration of the Contract (Standard Bidding Document SBD3.1 and SBD3.3)

**NOTE** Only firm prices will be accepted. Non-firm prices (including prices subject to rates of exchange variations) will not be considered.

Price quoted is fully inclusive of all costs including delivery to the specified NRF Business Unit geographical address and includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

Detailed information is optional and is provided as annexures to the details provided below.

No changes or extensions or additional ad hoc costs are accepted once the contract has been awarded.

Bid price to be quoted in USD.

Pricing is subject to the addition of Preference Points as stipulated in Section 23 below - Standard Bidding Document 6.1 Preference claim form.

OFFER TO BE VALID FOR

**150 days**

FROM THE CLOSING DATE OF BID.





- **Administration** - Contracts are awarded where bidders have supplied the relevant administrative documentation especially the tax certificate.

The bid evaluation committee will, after the closing date, evaluate all submitted proposals' technical envelopes containing the technical information first.

Only those bidders that achieve the minimum competence/delivery level as set out in this bid are evaluated in the second stage (Price and Preference).

The minimum competency level for the technical evaluation is for bidders to score at least **seventy (70%)** on the technical evaluation.

The Total Technical Points Scored is the total of the evaluations scored per category multiplied by the weighting percentage for each category expressed as a percentage of the Total Technical Points.

Total Evaluation Score . = [ Score x weighting x No of Evaluators] / [ Maximum Score x 100 x No of Evaluators]

Example Total Score – [(3 x 40 x 4)+(4 x 30 x 4)+(5 x 30 x 4)] / [5 x 100 x 4] = [1560 /2000] = 78%

Each evaluator's percentage thus calculated are aggregated and divided by the number of evaluators to establish an overall percentage mark.

**14. Technical Evaluation Criteria**

<b>SELECTION CRITERIA</b>			
<b>NO.</b>	<b>ELEMENT</b>	<b>Minimum Requirement Score (Meeting Stipulated Requirements)</b>	<b>Maximum Score (Above Requirements)</b>
1	Mounting orientation and matching to connection flanges	3	5
2	Working Gas Pressure Range <b>(Must meet minimum requirements)</b>	28	35
3	Gas temperature control accuracy <b>(Must meet minimum requirements)</b>	10	15
4	Gas drying conditions met <b>(Must meet minimum requirements)</b>	10	15
5	Gas Filter System specifications <b>(Must meet minimum requirements)</b>	10	15
6	Documentation list provided	3	5
7	Warranty at least three (3) year	3	5
8	Spare parts availability for 10 years	3	5
	<b>TOTAL</b>	<b>70</b>	<b>100</b>

**15. General Conditions of Contract**

General Conditions of Contract, as issued by National Treasury, are part of this contractual agreement and are made available on the NRF Website ([www.nrf.ac.za](http://www.nrf.ac.za) , then select Bids).

**16. Explanatory Notes to the Declarations in the SBD Documents**

The explanatory notes for the SBD (SBD6.1 – Preference Points Claim form, SBD4 – Declaration of Interest, SBD8 – Past Supply Chain Practices and SBD9 – Competitive Bidding) declarations in this contract are made available on the NRF Website ([www.nrf.ac.za](http://www.nrf.ac.za) , then select Bids) as separate documents as published by National Treasury.

**17. Special Conditions applying to this contract**

## a) EVIDENCE OF INTEREST

If you are not interested or cannot meet the specifications of the bid, it is required that you respond by email

stating this.

b) COMPLIANCE WITH FULL SCOPE OF THE BID INVITATION

Only bidders who can comply with the full specification will be considered.

c) VALIDATION OF SUBMITTED DOCUMENTATION

The NRF has the right to have any documentation submitted by the bidders inspected by another technical body or organisation.

d) NOT LIABLE FOR BID RESPONSE PREPARATION COSTS

The NRF is not be liable for any cost incurred by a service provider in the process of responding to this bid, including on-site presentations and the proposal a service provider may make and/or submit.

e) CANCELLATION PRIOR TO AWARDING

The NRF has the right to withdraw and cancel the bid.

f) LATE BIDS.

Bids submitted after the stipulated closing date (and time) is not considered.

g) COLLUSION, FRAUD AND CORRUPTION

Any effort by a bidder to influence bid evaluation, bid comparisons or bid award decisions in any manner, may result in rejection of the bid concerned.

h) LETTER OF AWARD

Once the delegated bid approver(s) has reached the decision, the successful bidder is informed through a written letter of acceptance, which in conjunction with elements detailed in the Standard Bidding Document 7 forms the contract between the NRF and the Bidder.

i) VALIDITY PERIOD

The bid has a validity period of 150 days from date of closure of the call / bid.

j) PRESENTATIONS AND PROOF OF CONCEPT

The NRF has the right to call interviews / presentations / pitching sessions as well as proof of concept sessions with short-listed service providers before the final selection is done.

k) INTELLECTUAL PROPERTY PROVIDED IN THE BID INVITATION

All the information contained in this document is intended solely for the purposes of assisting bidders to prepare

their bids. Any use of the information contained herein for other purpose than those stated in this document is prohibited.

The ownership and intellectual property rights of all designs, specifications, programming code and all other documentation provided by the NRF to the bidder, both successful and unsuccessful, remains the property of the NRF

I) INTELLECTUAL PROPERTY CONTAINED IN THE DELIVERABLES

The ownership and intellectual property rights of all designs, specifications, programming code and all other documentation required as part of the delivery to the NRF resides with the NRF.

**18. SUPPLIER DUE DILIGENCE**

18.1. DECLARATION OF INTEREST (STANDARD BIDDING DOCUMENT 4)

18.1.1 Any legal person, including persons employed by the state (see paragraph 20), 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.

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

18.1.2.1 Full Name of bidder or his or her representative:

18.1.2.2 Identity Number: \_\_\_\_\_

18.1.2.3 Position occupied in the Company (director, trustee, shareholder (see paragraph 20), member):

18.1.2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust: \_\_\_\_\_

18.1.2.5 Tax Reference Number: \_\_\_\_\_

18.1.2.6 VAT Registration Number: \_\_\_\_\_

18.1.2.6.1 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.

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

18.1.2.7.1 If so, furnish the following particulars in an attached schedule:

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:

18.1.2.7.2 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

18.1.2.7.2.1 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.)

18.1.2.7.2.2 If no, furnish reasons for non-submission of such proof as an attached schedule

18.1.2.8 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

18.1.2.8.1 If so, furnish particulars as an attached schedule:

18.1.2.9 Do you, or any person connected with the bidder, have 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? YES/NO

18.1.2.9.1 If so, furnish particulars as an attached schedule.

18.1.2.10 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

18.1.2.10.1 If so, furnish particulars as an attached schedule:

18.1.2.11 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

18.1.2.11.1 If so, furnish particulars as an attached schedule:

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

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

Schedule attached with the above details for all directors / members / shareholders	YES	NO
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18.2. DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES (STANDARD BIDDING DOCUMENT 8)

Item	Question	Yes	No
18.2.1	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?	Yes	No
	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.		
	If so, furnish particulars as an attached schedule:		
18.2.2	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)?	Yes	No
	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.		
	If so, furnish particulars as an attached schedule:		
18.2.3	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	No
	If so, furnish particulars as an attached schedule:		
18.2.4	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	No
	If so, furnish particulars as an attached schedule:		

18.3. CERTIFICATE OF INDEPENDENT BID DETERMINATION (STANDARD BIDDING DOCUMENT 9)

I, the undersigned, in submitting this bid in response to the invitation for the bid made by **NATIONAL RESEARCH FOUNDATION** do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ (Name of Bidder) that:

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.

<sup>3</sup> 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.
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

**19. PREFERENCE POINTS CLAIM FORM (STANDARD BIDDING DOCUMENT 6.1)**

**POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION**

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

**BID DECLARATION**

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

**B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF THE ABOVE TABLE**

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

(Points claimed must be in accordance with the table reflected above 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).

**SUB-CONTRACTING**

Will any portion of the contract be sub-contracted? YES / NO

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

**DECLARATION WITH REGARD TO COMPANY/FIRM**

Name of company/firm .....

VAT registration number: .....

Company registration number .....

TYPE OF COMPANY/ FIRM

**[Tick applicable box]**

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

DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

COMPANY CLASSIFICATION

**[Tick applicable box]**

- Manufacturer
- Supplier
- Professional service provider
- Other service providers e.g. transport, etc.

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

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-BBE status level of contribution of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 above, 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.
- (v) 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.
- (vi) 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.

**"Countervailing duties"** are imposed in cases where an enterprise abroad is subsidised by its government and encouraged to market its products internationally;

**"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 recognised new product results that is substantially different in basic characteristics or in purpose or utility from its components;

**"Day"** means calendar day;

**"Delivery"** means delivery in compliance of the conditions of the contract or order;

**"Delivery ex stock"** means immediate delivery directly from stock actually on hand;

**"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;

**"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;

**"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);

**"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.

**"EME"** means any enterprise with annual total revenue of R5 million or less.

**"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;

**"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;

**"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.

**"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;

**"GCC"** means the General Conditions of Contract;

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

**“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;

**“Local content”** means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place;

**“Manufacture”** means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities;

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

**“Order”** means an official written order issued for the supply of goods or works or the rendering of a service;

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

**“Project site,”** where applicable, means the place indicated in bidding documents;

**“Purchaser”** means the organization purchasing the goods;

**“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;

**“Republic”** means the Republic of South Africa;

**“SCC”** means the Special Conditions of Contract.

**“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;

**“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;

**“State”** means –

- (i) 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);
- (ii) any municipality or municipal entity;
- (iii) Provincial Legislature;
- (iv) National Assembly or the National Council of Provinces; or
- (v) Parliament.

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

**“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;

**“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;

**“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;

**“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;

**“Written”** or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

**APPENDIX A**



RECIRCULATION SYSTEM POSITION. Distance 8582 mm

