



BID DOCUMENT

BID DESCRIPTION:

REQUEST FOR PROPOSALS (RFP) FOR THE APPOINTMENT OF A SERVICE PROVIDER TO SUPPLY A 90 DAY SMME PRODUCT DEVELOPMENT TRAINING: ARTS AND CRAFTS

BID NUMBER:

FDC RFP: 003/2017

BRIEFING SESSION DATE: 29 SEPTEMBER 2017, AT 14:00

CLOSING DATE: 20 OCTOBER 2017 12:00

PREPARED BY:

FREE STATE DEVELOPMENT CORPORATION
FDC HOUSE 33 KELLNER STREET (OPPOSITE SABC OFFICES)
BLOEMFONTEIN
9300

CONTACT PERSON(S):

TECHNICAL: MR. FRANK TLHOMELANG: 051 4000 828

SUPPLY CHAIN MANAGEMENT: MS. NTOMBI MTIMKULU 051 4000 800

VERY IMPORTANT NOTICE ON DISQUALIFICATION

A Bid not complying with the peremptory requirements stated hereunder will be regarded as being a “not Acceptable Bid” and as such will be rejected.

“**Acceptable Bid**” means any bid which, in all respects, complies with the conditions of the Bid and Specifications as set out in the bid document, including conditions as specified in the Preferential Procurement Policy Framework Act, 2017 and related legislation as published in Government Gazette No 40553, in terms of which provision is made for this policy.

1. Submit bid on or before closing date and time
2. Fill in the required information in all Forms/Bills
3. Complete all Forms/Bills in black ink. Do not use pencils or correction fluid to make corrections
4. Make corrections, if necessary, only by placing a line across the words/numbers to be corrected and initial next to the amended text. Do not scratch out, write over rates, paint over rates or use correction fluid
5. Do not remove pages from the bid document
6. Ensure that witnesses signed where required
7. Attend the compulsory site/clarification meetings
8. Submit the applicable completed Authority for Signatory form and attach a certified copy of the members/director’s resolution
9. Attach to the bid documents a copy of a signed Joint Venture agreement (if applicable)
10. Only the person authorised to do so may sign the bid offer
11. Submit a valid Tax Clearance Certificate and a unique Security Personal Identification Pin issued by the South African Revenue Service (in the case of a joint venture, of all the partners in the joint venture) must be submitted with the bid document on closing date of the bid

Furthermore, the bid will be considered as not acceptable if:

12. The bidder attempts to influence, or has in fact influenced the evaluation of the bid and/or the awarding of the contract
13. The bidder or any of his directors is listed on the Register of Bid Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004
14. The bidder has abused the FDC’s Supply Chain Management System
15. Irrespective of the procurement process followed, no award may be given to a person-
 - i. Who is in the service of the state, or
 - ii. If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
 - iii. who is an advisor or consultant contracted with the FDC in respect of contract that would cause a conflict of interest
16. The bidder may only submit a bid on the documentation provided by the FDC

+ -

Bids containing any one or more of the following errors or omissions will not be rejected, provided that when the bid is awarded to such a bidder, the error or omission is corrected:

Bidder: Initial of authorised signatory/ies

1. _____

2. _____

FDC:
Initial _____

Witness:
Initial _____

NOTE:

IN THIS DOCUMENT AND OTHER DOCUMENTS REFERRED TO BUT NOT ATTACHED, THE FOLLOWING WORDS ARE SYNONYMOUS WITH EACH OTHER

1. CLIENT, EMPLOYER, FREE STATE DEVELOPMENT CORPORATION (FDC)
2. BIDDER, CONTRACTOR, SERVICE PROVIDER
3. QUOTATION AND BID AND VARIATIONS THEREOF
4. JOINT VENTURE / CONSORTIUM

Bidder: Initial of authorised signatory/ies

1. _____

2. _____

FDC :

Initial _____

Witness:

Initial _____

TABLE OF CONTENTS

	PAGES
PURPOSE	3
PROJECT TARGET	3
BACKGROUND	3
POLICY IMPERATIVE	4
ELIGIBILITY	4
GEOGRAPHIC LOCATION	4
REQUIREMENTS	5
SCOPE OF WORK	5
REQUIRED COMPETENCES AND EXPERTISE	7
SUPPORTING DOCUMENTATION	8
PREFERENTIAL PROCUREMENT	8
SERVICE LEVEL AGREEMENT	8
FEE STRUCTURE	9
CONDITIONS FOR SUBMISSION OF BIDS	9
REPORTING	10
CONTRACTUAL PERIOD	10
COST OF BIDDING	10
CONDITIONS OF CONTRACT	10
TENDER BRIEFING SESSION	10
BID EVALUATION	11
LIST OF RETURNABLE DOCUMENTS	14
BID SUBMISSION	15
SBD 2 TAX CLEARANCE CERTIFICATE REQUIREMENTS	15
SBD 4 DECLARATION OF INTEREST	16
SBD 6.1 PREFERENCE POINTS CLAIM	20
SBD 8 DECLARATION OF BIDDERS PAST SCM PRACTICES	25
SBD 9 CERTIFICATE OF INDEPENDENT BID DETERMINATION	28

PUBLIC NOTICE **INVITATION TO TENDER**

BID DESCRIPTION:

REQUEST FOR PROPOSALS (RFP) FROM INTERESTED AND COMPETENTLY SKILLED SERVICE PROVIDERS FOR THE APPOINTMENT OF A SERVICE PROVIDER TO SUPPLY A 90 DAY SMME PRODUCT DEVELOPMENT TRAINING: ARTS AND CRAFTS

BID NUMBER: FDC BID NO. 003/2017

The Free State Development Corporation herewith invites all competent and experienced service providers to submit proposals for the appointment of a service provider to supply a 90 day SMME product development training: Arts and crafts

Proposal must be deposited in the bid box situated at FDC Head Office at FDC House, 33 Kellner Street on the **20 October 2017 at 12h00.**

Each proposal must be submitted in a separate, clearly marked sealed envelope.

Please note that proposals, which are not submitted in a properly sealed and marked envelope and / or are not deposited in the relevant tender box and / or are deposited after the closing date and time, will not be considered. **Faxed proposals will not be considered.**

Bids are to be completed in accordance with the conditions and bid rules contained in the bid documents. Bid documents must be properly indexed and neatly bounded.

1. Purpose

To provide product development training to provide to existing SMMEs within the Arts and Craft sector (Creative industries) in Mangaung, Lejweleputswa and Fezile Dabi Districts of the Free State Province of South Africa.

2. Project target

- 2.1. This project is targeted to benefit existing business groups and SMMEs that are currently producing: -
- beading and weaving (mosaic, cane weaving, grass weaving) designs, telephone wire weaving, beadwork, grasswork, embroidery, sewing, crocheting, printing, painting and ceramics arts and crafts, within the Mangaung Metro, Lejweleputswa & Fezile Dabi Districts.
 - An ultimate number of 30 SMMEs will be selected through comprehensive and transparent selection criteria.

3. Background

The Free State Development Corporation is in a process of establishing the Provincial Craft Hub that is championed by DESTEA / FDC in partnership with other stakeholders. The Free State Development Corporation has been supporting the establishment of craft sector hub and had been promoting SMME's in the Arts & Craft Sector within the province through a market access strategy by providing platforms for SMME's to showcase and market their products.

This strategy has not yielded desired results, as majority of Crafters that had been supported have not yielded sustainable orders. In addition, they faced a stiff competition from other provinces and international markets particularly products of Indian and Chinese suppliers which are have products of better quality. Most SMMEs have poor craftsmanship, poor beading skills, finishing, quality management and colour combination, uniformity of products, pricing and diversification of their products.

Most of coordinated initiatives by government employed more of a market expansion strategy as oppose to a product development strategy. Following the objective of growing South Africa's market share, very few crafters and designers have managed to respond to market opportunities in areas such as interior design and clothing accessories by creating designs that are contemporary, responding to a sophisticated and trend driven urban market, at the same time retaining distinct South African character or unique features.

The SMME's in the craft sector requires a technical skills design and product development skills to respond to the consumers, user's requirements. This will assist to make market access initiatives more beneficial through increasing sales and orders generated. Majority of SMMEs supported requires skills of product design, manufacturing and a broader understanding of product offering, marketing and promotion of these businesses to compete locally, nationally and internationally.

Most SMMEs have poor craftsmanship, poor beading skills, finishing, quality management and colour combination, uniformity of products, pricing and diversification of their products. Many crafts businesses in rural areas lack product design and development skills and as a result, many of the crafters tend to copy products. This leaves crafters vulnerable to competing at price point and as a result many flood local crafts markets with similar products.

It is critical the appointed service provider must interact with each SMME's to clearly identify the SMME's needs prior to offering solutions.

4. Policy Imperative

The Cultural Industries Growth Strategy (CIGS) have identified the craft sector as having the potential of contributing to economic development and "social objectives such as the empowerment of women, poverty alleviation and black economic empowerment" (Joffe & Newton, 2007: 36). With the potential to contribute economically and empower women, the crafts directly contribute to the National Development Plan's vision of balancing gender inequality and improving the life challenges women face. The crafts, therefore, have the potential to drive economic benefits and sustain the livelihood of those living in poverty in the Free State province particularly women and previously disadvantaged communities.

5. Eligibility

The experienced service providers with a track record in product design, product development in the arts and craft sector (beading, mosaic, cane weaving, grass weaving, embroidery and sewing, printing and painting, crocheting, fine art printing, wire and jewellery and ceramic products for purposes of imparting design skills to develop new products that meet urban consumer tastes and preferences.

6. Geographic Location

- Bloemfontein for Mangaung Metro Product Development Session.
- Welkom for Lejweleputswa Product Development Session.
- Sasolburg for Fezile Dabi Product Development Session.

7. Requirements

The success of the implementation of product development strategies, particularly that of engaging in training is dependent on the approach of the trainers and their philosophy. The bidders are required to clearly articulate their approach and philosophy in delivering the product development offerings.

8. Scope of work

8.1. Product Designs

The appointed service provider will assist beading, mosaic, cane weaving, grass weaving, fabric: embroidery & sewing, fabric: printing & painting, fine art & printing and wire jewellery craft with the development of new products focusing on the following themes:

- Production Methods and Techniques
- Basic Drawing and Design
- Quality Finishing
- Development of new ranges
- Improvement of the marketable products
- Design Skills Transfer

8.2. Product Development Process

The appointed service provider will also be required to demonstrate the various stages of the product development intervention and ensure that the beneficiary enterprises are an active participant in the design and conceptualisation of products, the development of prototypes, and experimentation with different materials to improve product aesthetic and the development of new products.

8.3. Target Group

30 x Crafters have been identified by FDC, 10 per each of the three districts (Mangaung / Lejweleputswa / Fezile Dabi) in the following products: -

- Beading
- Mosaic
- Cane weaving,
- Grass weaving
- Fabric
- Embroidery & Sewing
- Printing and painting
- Crocheting
- Pottery
- Wire Jewellery
- Ceramics

8.4. Deliverables

The project deliverables are as follows:

- Product development training sessions for 30 beading, mosaic, cane weaving, grass weaving, fabric: embroidery & sewing, fabric: printing & painting, crochet, pottery, fine art & printing, wire jewellery entities and ceramics.
- One on One product interventions with each of the entities from their respective working spaces
- Photo documentation of the product development process and outcomes
- Improved and market ready beading, mosaic, cane weaving, grass weaving, fabric: embroidery & sewing, fabric: printing & painting, crochet, pottery, fine art & printing, wire jewellery products and ceramics.
- Refinement of existing ranges and development of new ranges that are unique.

8.5. Clarity on services required

The services required by FDC are described in these Terms of Reference and will be clarified and confirmed during a meeting with all interested bidders.

8.6. Facilities provided

FDC shall supply all the facilities for central training session as well as catering. One on one session will be done at individual or business premises of the Crafters trained.

8.7. Alteration or withdrawal of proposals

Service Providers may withdraw their proposals by written notification on or after the closing date.

8.8. Costs for preparation of proposal

The costs incurred by the Service Provider in respect of the attendance of any briefing or presentation meetings or costs incurred in preparing any proposal will be borne by the Service Provider and FDC shall in no way be liable to reimburse the Service Provider for such costs incurred.

8.9. Ownership of proposal

FDC shall on receipt of any proposal relating to these terms of reference and submitted in accordance with these terms of reference and call for proposal procedure become the owner thereof.

FDC shall not be obliged to return any proposals to Service Providers who request such a return.

8.10. Confidentiality

The entire process of calling for proposals as initiated by FDC in terms of its procurement policy is confidential. All deliberations in respect of the acceptability or otherwise of the proposals shall be conducted in closed sessions and members of the Evaluation and Procurement Committee are bound by confidentiality.

8.11. Ethics

Any attempt by a Service Provider to obtain confidential information, or enter into unlawful agreements with competitors or influence the Evaluation and /or the Procurement Committee of FDC during the process of examining, evaluating and comparing proposals will lead to the rejection of its proposal in its entirety. The Service Provider must declare any business or other interests it has with FDC or any employee of FDC, failing which the Service Provider shall be automatically disqualified from further participation in the process to be appointed as Service Provider.

8.12. Cancellation of Bids

FDC shall be entitled, within its sole and entire discretion, to cancel this call for proposals at any time and shall notify the Service Providers accordingly. FDC shall in no way be liable for any damages whatsoever, including, without limitation, damages for loss of profit, in any way connected with the cancellation of this call for proposal procedure. The publication of an invitation to call for proposals does not commit FDC to appoint any of the qualifying Service Providers.

9. Required competences and expertise

The Service Providers proposal must outline the expertise and competencies on offer and should expressly detail their previous experience in dealing with projects of this nature. This may be supported by the CV's of the team or lead consultants. All proposals will be evaluated based on the experience and competencies outlined in the bid. The bid will be evaluated based on the following expertise

- 9.1. Demonstrate an in-depth knowledge and ability to conduct product development and product refinement.
- 9.2. Demonstrate knowledge and understanding of the Craft Sector in South Africa and have practical experience in the design and development of beading, mosaic, cane weaving, grass weaving, fabric: embroidery & sewing, fabric: printing & painting, crochet, pottery, fine art & printing and wire jewellery products
- 9.3. Demonstrate evidence of conducting creativity and design training
- 9.4. Interpretation of the terms of reference and soundness of the proposed product development methodology experience and qualifications (CVs) of the project team and the availability of the existing resources and capacity to deliver

Note that a failure to fully cover this in your proposal may result in your proposal being rejected without further consideration.

10. Supporting Documentation

Service Providers are required to submit the following documents:

- Completed Bid Document.
- A Valid Tax Clearance Certificate or a unique security personal identification pin issued by South African Revenue Services (SARS) – sole provider to validate tax certificate.
- Declaration of interest forms to be completed in full: SBD 4, SBD 8 and SBD 9 BBBEE Verification Certificate
- Verifiable references.
- Proof of Company Registration outlining ownership
- Certified ID Copies of the Shareholders/Owners
- Proof of Address of the Applicant

Note that a failure to submit these documents with the proposal will result in your proposal being rejected without further consideration.

11. Preferential Procurement

In compliance with the preferential public procurement laws applicable to FDC and in terms of FDC's procurement policy, preferential points will be awarded to Service Providers who demonstrate BBBEE in its management and ownership structures. In this regard Service Providers are required to expressly cover this in their proposals and state their BBBEE management and ownership status.

Proposals will be evaluated in terms of the preferential procurement policy framework Act of 2017, 80/20-point system will be applicable.

Note that failure to expressly deal with your BBBEE status in your proposal, will result in no preferential points being awarded.

12. Service level agreement

12.1. The acceptance of any proposal shall only be confirmed with the conclusion of a written service level agreement between FDC and the Successful Service Provider, in terms of which the rights and duties of the parties are recorded, which agreement shall regulate the relationship between FDC and the Successful Service Provider.

12.2. Until such time that an appropriate Service Level Agreement (SLA) has been concluded between FDC and successful Service Provider, no rights shall be conferred nor shall any legitimate expectations be conferred to the successful Service Provider to carry out the works or services provided for in this call for proposals.

13. Fee structure

- 13.1. Service providers are required to expressly cover their proposed fee and disbursement structure based on the activities they propose undertaking to provide the service requested in this call for proposals. Refer to section 5 above. Financial proposals for the product development programme should reflect on all the associated costs of collective training sessions (excluding travel logistics for participants) and also costs for the one-on-one sessions with the identified enterprises.
- 13.2. FDC reserves the right to negotiate any aspect of the proposed fees and disbursements with the preferred Service Provider and shall not be bound to the fees and disbursements submitted by any Service Provider.

14. Conditions for submission of bids

14.1. All bids must be submitted in accordance to the terms of reference and all documents outlined in Section 9 above should form be part of the bid.

14.2. The technical bid must be submitted in a separate sealed envelope and a detailed SEPARATE (itemised) budget quoted in South African Rand (ZAR) should be included in a separate sealed envelope. This should include a payment schedule linked to deliverables. The payment schedule must clearly show the deliverables. The proposed payment schedule that does not match the quantity and quality of work done will work against your proposal.

14.3. The quotation submitted must reflect VAT inclusive amounts for VAT registered entities. The quotation must be signed by authorised official in your Company.

14.4. As a condition for this proposal, a detailed project plan detailing how the work will be carried out should be forwarded and it must include a detailed work plan.

14.5. A schedule of deliverables and proposed meeting dates with FDC should be reflected in the project plan.

14.6. The bids must comprise a list of the project team, project leader and each member's profile.

14.7. Each team member's role must be clearly outlined in the project plan.

Reference of similar/related work undertaken previously

14.8. A service level agreement will be entered into with the successful service- provider.

15. Reporting

- 15.1. The appointed Service Provider shall report on a Monthly basis to the Free State Development Corporation, images / photos of work on progress should also be submitted with the Monthly reports.
- 15.2. Submission of an Executive Summary of the report (In Word, PDF and PowerPoint formats).
- 15.3. Compact disks with electronic copies (4) of the Executive Summary and Final report (Word and PDF).
- 15.4. Final report and key data (Hyperlinked and searchable).
- 15.5. Audio-Visual and Photographic material outlining the product development process followed must be submitted along with the final report

16. Contractual period

- 16.1. The project should be completed within 3 (three) months from the date of signing the service level agreement.

17. Cost of bidding

17.1 The Bidder will bear all costs and expenses associated with the preparation and submission of a proposal in relation to this ToR. Neither the FDC or any of its respective directors, officers, employees, agents, representatives or advisors will assume any obligation for any costs or expenses incurred by any party in or associated in preparing or submitting a Bid in response to the ToR.

18. Conditions of contract

18.1 The conditions of contract are a Service Level Agreement.

19. Tender Briefing Session

19.1. A Briefing session meeting with representatives from the employer will be conducted as follows:

Date: 29 September 2017

Venue: FDC House, 33 Kellner Street, Westdene, Bloemfontein.

Time: 14h00

20. Documents

The following compulsory returnable documents must be submitted with the Bid, failure to submit any of these documents will lead to disqualification:

20.1. Company Registration Documents.

20.2. Valid Tax Clearance Certificate and Personal Identification Verification Pin issued by the South Africa Revenue Services. In instances where a Joint Venture / Consortium or Sub-contractor are involved, each party must submit a separate Tax Clearance or PIN.

20.3. Original or Certified copy of Valid BBBEE Certificate from (SANAS accredited Verification Agency or from the Auditors approved by the Independent Regulatory Body of Auditors). Any EME (Exempted Micro Enterprise) or QSE (Qualifying Small Enterprise) is only required to obtain a sworn affidavit on an annual basis confirming the following:

- Annual Total Revenue of R 10 Mill or less (EME) or Revenue between R 10 Mill and 4 50 Mill for QSE; Level of Black Ownership (Any misrepresentation in this regard constitutes a criminal offence as set out in the BBBEE Act as amended.

20.4. Joint Venture Agreement (if bidder is a Joint Venture).

20.5. Curriculum Vitae of all Key Personnel.

20.6. Submission of ID copy for the Company Representative.

21. Bid Evaluation

21.1. Evaluation Criteria and weightings.

Functionality Evaluation Criteria and Weightings

Bids shall be evaluated in terms of the following process:

Phase 1: Initial Screening Process:

During this phase, bid responses will be reviewed for purposes of assessing compliance with RFP requirements including the general bid conditions, which requirements include the following:

- Submission of a valid Tax Clearance Certificate as referenced in 20.2.
- Submission of Company Registration Forms as referenced in 20.1 above
- Submission of ID copy for the Company Representative as referenced in 20.6 above
- BBBEE Status Certification as referenced in 20.3 above
- Completion of all Standard Bidding Documents and other requirements, as reflected in this RFP.

Phase 2: Technical / Functionality Evaluation

The Bid will be evaluated on functionality. Submitted proposals will be evaluated on functionality / quality, an evaluation criterion used to gauge the expertise and experience of bidding entities. Service providers scoring a minimum of 70 points out of 100 for functionality will be eligible for evaluation on price and preference.

FUNCTIONALITY EVALUATION

As a condition of functionality evaluation, Bidders failing to score a minimum of 70 out of 100 points, will not be considered for further evaluation on price and preference. The Bid Committee, may, if necessary seek clarification of any aspect of the bid and may request presentations from Bidders.

The functionality criteria are as follows:

Criteria / Element	Criterion	Weight of criterion
Bidders Relevant Experience	Demonstrate knowledge and understanding of the Craft Sector in South Africa and have practical experience in the design and development of Craft Products 10 years – 30 points 07 years – 20 points 05 years – 10 points Less - 0 points	30
Bidders Proposed Craft Product Design Methodologies	Craft Products Design Methodologies <ul style="list-style-type: none"> • Beading and weaving (mosaic, cane weaving, grass weaving (5 points) • Fabric embroidery & sewing, printing & painting, crochet (5 points) • pottery (5 points) • wire and jewellery products (5 points) Production Methods and Techniques (10 points) <ul style="list-style-type: none"> • Basic Drawing and Designs • Quality Finishing • Development of new ranges • Improvement of the marketable products Design Skills Transfer (10 points) <ul style="list-style-type: none"> • Production Methods and Techniques, • Basic Drawing and Design • Quality Finishing, • Improvement of the marketable products, Design Skills Transfer 	40
Project Plan	How they going to execute work required	10
Product Development & Design Strategy	Strategy framework and implementation Plan	20
Total		100

PRICE AND PREFERENCE EVALUATION

Bidders will be evaluated on BBEE and Price as per the Preferential Procurement Policy Framework Act Regulations of 2017. The 80/20 preference point system is applicable where 80 points will be awarded for price and 20 points for B-BBEE. Bidders looking to claim B-BBEE points must submit proof of status level contributor.

A bidder failing to submit proof of B-BBEE status level contributor or is a non-compliant contributor to B-BBEE will not be disqualified but will only score points for price and zero for Preference.

B-BBE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

22. Bid Submission

12.1. Bids are to be submitted on **20 OCTOBER 2017 at 12h00** at 33 Kellner street, Westdene, Bloemfontein.

12.2. The Bids must be neatly bound and properly indexed.

12.3. Bids received after the closing time will not be considered, but will be returned to Bidders.

12.4. NO Bids received by email, facsimile, telex, or electronic submission will be accepted.

12. Enquiries

12.1. Bidders may direct all clarity seeking questions as follows:

Technical: Mr. Frank Tlhomelang: 051 4000 828 / 2

Supply Chain Management: Ms. Ntombi Mtimkulu 051 400 0800

1. LIST OF RETURNABLE DOCUMENTS

Returnable Documents

Returnable Documents will be used for tender evaluation purposes and be incorporated into the contract

The tenderer must return the following returnable documents legibly completed and signed in **FULL**.

1. Resolution of Board of Directors
2. Resolution of Board of Directors to enter into Consortia Or Joint Ventures (in case of Joint Venture or Consortia)
3. Special Resolution of Consortia or Joint Ventures.
4. B-BBEE Certificate issued by a South African National Accreditation System (SANAS) or Auditors approved and registered by the Independent Regulatory Board of Auditors (IRBA), where Consortium / Joint Venture are involved Bidders are to hand in their consolidated B-BBEE certificates.
5. Standard Bidding Document 1 (SBD 1) – Invitation to Bid
6. Standard Bidding Document 2 (SBD 2) – Application for Tax Clearance Certificate
7. Standard Bidding Document 4 (SBD 4) – Declaration of Interest
8. Standard Bidding a Document 6.1 (SBD 6.1) – Preference points claim form in terms of the Preferential Procurement Regulations 2011.
9. Standard Bidding Document 8 (SBD 8) – Declaration of Bidder's Past Supply Chain Management Practices.
10. Standard Bidding Document 9 (SBD 9) - Certificate of Independent Bid Determination.

SBD 2: TAX CLEARANCE CERTIFICATE REQUIREMENTS

1. 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.
2. In order to meet this requirement bidders are required to complete in full 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.
3. 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.
4. 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.
5. In bids where Consortia / Joint Ventures / Sub-contractors are involved; each party must submit a separate Tax Clearance Certificate.
6. 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.
7. 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.

Signature of Bidder:

Date: _____

SBD 4: DECLARATION OF INTEREST

- 1. No bid will be accepted from persons in the service of the state*or FDC.
- 2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.
- 3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative:

.....

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, hareholder²)

3.4 Company Registration Number:

3.5 Tax Reference Number:

3.6 VAT Registration Number:

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below

3.8 Are you presently in the service of the state* **YES / NO**

3.8.1 If so, furnish particulars.

Name of person / director / trustee / shareholder member:

.....

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

.....

Any other particulars:

.....

.....

3.9 Have you been in the service of the state for the past twelve months? **YES / NO**

3.9.1 If so, furnish particulars

.....
.....

- * MSCM Regulations: "in the service of the state" means to be –
1. A member of –
 - 1.1. any municipal council;
 - 1.2. any provincial legislature; or
 - 1.3. the national Assembly or the national Council of provinces
 2. a member of the board of directors of FDC;
 3. an official of FDC;
 4. an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
 5. a member of the accounting authority of any national or provincial public entity; or
 6. an employee of parliament or provincial legislature

3.10 Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.10.1 If so, furnish particulars.
.....
.....

3.11 Are you, aware of any relationship (family, friend, other) between a bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.11.1 If so, furnish particulars
.....
.....

3.12 Are any of the company's directors, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If so, furnish particulars.
.....
.....

3.13 Are any spouse, child or parent of the company's directors, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If so, furnish particulars.
.....
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract.

YES / NO

3.14.1 If so, furnish particulars.

.....
.....

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

Full Name	Identity Number	State Employee Number

CERTIFICATION

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

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature : _____

Date: _____

Capacity: _____

Name of bidder: _____

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

a)

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 of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

- a) The value of this bid is estimated to **not exceed** R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

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

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 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

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“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 goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

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

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

80/20 **or** **90/10**

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

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

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (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	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

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

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

- 6.1 B-BBEE Status Level of Contributor: . = (maximum of 10 or 20 points)
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

7. SUB-CONTRACTING

- 7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

- 7.1.1 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 or QSE

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name _____ of
company/firm:.....

8.2 VAT _____ registration
number:.....

8.3 Company _____ registration
number:.....

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
 - One person business/sole propriety
 - Close corporation
 - Company
 - (Pty) Limited
- [TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

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

8.8 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-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 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 in paragraphs 1.4 and 6.1, 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 contributor 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) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.
2.

..... SIGNATURE(S) OF BIDDERS(S)
DATE:
ADDRESS
.....

SBD8: DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This standard bidding document serves as a declaration to be used by FDC 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.

- 2 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the FDC's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. wilfully neglected, reneged on or failed to comply with any government, municipal or other public-sector contract during the past five years; or
 - d. been listed in the Register for Bid Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

- 3 **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 as a company or person 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 National Treasury 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 Bid Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Bid 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 of law outside 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:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the FDC, or to any municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the FDC or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME

.....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM ARE 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

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. Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
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 institutions' supply chain management system and or committed fraud or any other improper conduct in relation to such a system.
 - c. 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 the contract.
4. 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.
5. In order to give effect to the above, the attached Certificate of Bid Determination (SBD9) must be completed and submitted with the Bid:

¹ Includes price quotations, advertised competitive 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.

I, the undersigned, in submitting the accompanying bid:

RFP NO: FDC – RFP: 003/2017

BID DESCRIPTION:

REQUEST FOR PROPOSALS (RFP) FOR THE APPOINTMENT OF A SERVICE PROVIDER TO SUPPLY A 90 DAY SMME PRODUCT DEVELOPMENT TRAINING: ARTS AND CRAFTS.

in response to the invitation for the bid made by:

FREE STATE DEVELOPMENT CORPORATION

(Name of Government Entity)

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 authorised 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 authorised 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 organisation, other than the Bidder, whether or not affiliated with the Bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the Bidder and/or is in the same line of business as the Bidder.
6. The Bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraph 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.

9. In addition, there have been no consultations, communications with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

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

9. In 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 the awarding of the contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of Section 59 of the Competition Act No 89 of 1998 and / or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and/or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

Signature: _____ Date: _____

Position: _____ Name of bidder: _____