

# INVITATION TO SUBMIT BID PROPOSALS

Date issued: 28 September 2021



## 1. Background

The Municipal Demarcation Board invites suitably qualified and experienced services providers to submit bid proposals to render Travel Management Services for the Municipal Demarcation Board (MDB) for a period of sixty months (60) months bearing Bid Number **MDB005 – 2021/2022**.

## 2. Terms of Reference

The scope (TOR) and approach and deliverables are contained in the Terms of Reference document. Bidders are requested to study and understand the TOR in order to submit responsive bids.

## 3. Briefing Session

No briefing session will be held.

## 4. Bid submission

Original bids and proposals must be submitted at the offices of MDB and deposited in the tender box. Door to door deliveries by courier services are accepted, provided the bidder instructs the courier firm to deposit the bids in the tender box. The closing date is **19 October 2021 at 11h00**. Incomplete (non-responsive), late, faxed or emailed bids will **NOT** be accepted.

## 5. Reservation

The MDB reserves the right to withdraw this bid at any time before the award. The MDB also reserves the right not to award the contract with the highest points in terms of price and BBBEE. Bidders must be registered on the National Treasury Central Supplier Database at the time of award.

Issued by

**MR MUTHOTH SIGIDI**  
**CHIEF EXECUTIVE OFFICER**  
**MUNICIPAL DEMARCATION BOARD**

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## TERMS OF REFERENCE

**APPOINTMENT OF A SERVICE PROVIDER(S) FOR THE PROVISION OF A TRAVEL MANAGEMENT COMPANY TO THE MUNICIPAL DEMARCATION BOARD (MDB) FROM 01 NOVEMBER 2021 TO 31 OCTOBER 2026, PERIOD OF FIVE (5) YEARS, SIXTY (60) MONTHS**

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**BID REFERENCE NUMBER: MDB005-2021/2022**

**DATE ISSUED: 28 SEPTEMBER 2021**

**CLOSING DATE AND TIME: 19 OCTOBER 2021 AT 11H00**

**BID VALIDITY PERIOD: 120 DAYS**

All submission of proposals must be delivered at the MDB Offices on or before the closing date and time.

**Office Details:** Municipal Demarcation Board: Eco Origins Office Park, Block C1, 349 Witch-Hazel Street, Highveld Centurion.

**SERVICE PROVIDERS CAN SEND BID PROPOSALS USING COURIER SERVICES, HOWEVER NO BID PROPOSALS TO BE SENT TO THE MDB POSTAL ADDRESS.**

Submissions must be **STRICTLY** submitted inside the tender box which is situated at Reception Area on the Ground Floor; and accessible during official working hours between 08:00am to 16:30pm, Monday to Friday.

**TWO-FILE SYSTEM** will be used for the submission of proposal/pricing, therefore submissions made by Service Providers **MUST** clearly state the description as well as the Bid Reference Number **MDB005-2021/2022** on each file submitted. (Refer below to Bid Information)

**FILE 1:** Technical proposal about the provision of travel management services on offer as indicated in the TOR.

**FILE 2:** Pricing Schedule/BBBEE as indicated in the TOR.

**PS: Bidders are requested to initial each page of the tender proposal on the top right-hand corner.**

## **TABLE OF CONTENTS**

<b>A. DEFINITIONS</b>	<b>5</b>
<b>1. PURPOSE</b>	<b>8</b>
<b>2. LEGISLATIVE FRAMEWORK OF THE BID</b>	<b>8</b>
<b>3. BRIEFING SESSION</b>	<b>9</b>
<b>4. TIMELINE OF THE BID PROCESS</b>	<b>9</b>
<b>5. CONTACT AND COMMUNICATION</b>	<b>10</b>
<b>6. LATE BIDS</b>	<b>11</b>
<b>7. COUNTER CONDITIONS</b>	<b>11</b>
<b>8. FRONTING</b>	<b>11</b>
<b>9. SUPPLIER DUE DILIGENCE</b>	<b>12</b>
<b>10. SUBMISSION OF PROPOSALS (Desktop Technical Evaluation)</b>	<b>12</b>
<b>11. PRESENTATION / DEMONSTRATION</b>	<b>14</b>
<b>12. DURATION OF CONTRACT</b>	<b>14</b>
<b>13. SCOPE OF WORK</b>	<b>14</b>
<b>13.1 Background</b>	<b>14</b>
<b>13.2 Travel Expenditure</b>	<b>15</b>
<b>13.3 Service Requirements</b>	<b>16</b>
<b>13.3.1 General</b>	<b>16</b>
<b>13.3.2 Reservations</b>	<b>17</b>
<b>13.3.3 Air Travel</b>	<b>19</b>
<b>13.3.4 Accommodation</b>	<b>20</b>
<b>13.3.5 Car Rental and Shuttle Services</b>	<b>21</b>
<b>13.3.6 After-Hours and Emergency Services</b>	<b>21</b>
<b>13.4 Communication</b>	<b>22</b>
<b>13.5 Financial Management</b>	<b>22</b>
<b>13.6 Technology, Management Information and Reporting</b>	<b>23</b>

<b>13.7 Account Management</b>	<b>25</b>
<b>13.8 Value Added Services</b>	<b>25</b>
<b>13.9 Cost Management</b>	<b>26</b>
<b>13.10 Quarterly and Annual Reviews</b>	<b>27</b>
<b>13.11 Office Management</b>	<b>27</b>
<b>14. PRICING MODEL</b>	<b>28</b>
<b>15. EVALUATION AND SELECTION CRITERIA</b>	<b>29</b>
<b>16. GENERAL CONDITIONS OF CONTRACT</b>	<b>35</b>
<b>17. CONTRACT PRICE ADJUSTMENT</b>	<b>35</b>
<b>18. SERVICE LEVEL AGREEMENT</b>	<b>36</b>
<b>19. SPECIAL CONDITIONS OF THIS BID</b>	<b>36</b>
<b>20. MDB REQUIRES BIDDER(S) TO DECLARE</b>	<b>37</b>
<b>21. CONFLICT OF INTEREST, CORRUPTION AND FRAUD</b>	<b>38</b>
<b>22. MISREPRESENTATION DURING LIFECYCLE OF THE CONTRACT</b>	<b>39</b>
<b>23. PREPARATION COSTS</b>	<b>39</b>
<b>24. INDEMNITY</b>	<b>40</b>
<b>25. PRECEDENCE</b>	<b>40</b>
<b>26. LIMITATION OF LIABILITY</b>	<b>40</b>
<b>27. TAX COMPLIANCE</b>	<b>40</b>
<b>28. TENDER DEFAULTERS AND RESTRICTED SUPPLIERS</b>	<b>41</b>
<b>29. GOVERNING LAW</b>	<b>41</b>
<b>30. RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL</b>	<b>41</b>
<b>31. CONFIDENTIALITY</b>	<b>41</b>
<b>32. MDB PROPRIETARY INFORMATION</b>	<b>42</b>
<b>33. AVAILABILITY OF FUNDS</b>	<b>42</b>

## A. DEFINITIONS

1. **Accommodation** means the rental of lodging facilities while away from one's place of abode, but on authorised official duty.
2. **After-hours service** refers to an enquiry or travel request that is actioned after normal working hours, i.e. 17h00 to 8h00 on Mondays to Fridays and twenty-four (24) hours on weekends and public holidays.
3. **Air travel** means travel by airline on authorised official business.
4. **Authorising Official** means the employee who has been delegated to authorise travel in respect of travel requests and expenses, e.g. line manager of the traveller.
5. **Board** means the composition of Board members including the Chairperson in terms of section 6 of the Municipal Demarcation Act, 1998.
6. **Car Rental** means the rental of a vehicle for a short period of time by a Traveller for official purposes.
7. **Domestic travel** means travel within the borders of the Republic of South Africa.
8. **Emergency service** means the booking of travel when unforeseen circumstances necessitate an unplanned trip or a diversion from original planned trip.
9. **International travel** refers to travel outside the borders of the Republic of South Africa.
10. **Lodge Card** is a credit card which is specifically designed purely for business travel expenditure. There is typically one credit card number which is "lodged" with the Travel Management Company at to which all expenditure is charged.
11. **Management Fee** is the fixed negotiated fee payable to the Travel Management Company in monthly instalments for the delivery of travel management services, excluding any indirect service fee not included in the management fee structure (visa, refund, frequent flyer tickets etc.).
12. **Merchant Fees** are fees charged by the lodge card company at the point of sale for bill back charges for ground arrangements.

13. **Municipal Demarcation Board** means the Municipal Demarcation Board established in terms of section 2 of the Municipal Demarcation Act (Act 27 of 1998). Hereinafter referred to as the MDB.
14. **Quality Management System** means a collection of business processes focused on consistently meeting customer requirements and enhancing their satisfaction. It is expressed as the organizational structure, policies, procedures, processes and resources needed to implement quality management.
15. **Regional travel** means travel across the border of South Africa to any of the SADC Countries, namely; Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.
16. **Service Level Agreement** is a contract between the Travel Management Company and Government that defines the level of service expected from the Travel Management Company.
17. **Shuttle Service** means the service offered to transfer a Traveller from one point to another, for example from place of work to the airport.
18. **Third party fees** are fees payable to third party service providers that provides travel related services on an ad hoc basis that is not directly provided by the Travel Management Company. These fees include visa fees and courier fees.
19. **Transaction Fee** means the fixed negotiated fee charged for each specific service type e.g. international air ticket, charged per type per transaction per traveller.
20. **Traveller** refers to a MDB official, consultant or contractor travelling on official business on behalf of the MDB.
21. **Travel Authorisation** is the official form utilised by the MDB reflecting the detail and order number of the trip that is approved by the relevant authorising official.
22. **Travel Booker** is the person coordinating travel reservations with the Travel Management Company consultant on behalf of the Traveller, e.g. the personal assistant of the traveller.
23. **Travel Management Company** refers to the Company contracted to provide travel management services (Travel Agents).

- 24. **Travel Voucher** means a document issued by the Travel Management Company to confirm the reservation and/or payment of specific travel arrangements.
- 25. **Value Added Services** are services that enhance or complement the general travel management services e.g. rules and procedures of the airports.
- 26. **VAT** means Value Added Tax.
- 27. **VIP or Executive Service** means the specialised and personalised travel management services to selected employees of the MDB by a dedicated consultant to ensure a seamless travel experience.



## **1. PURPOSE**

The purpose of this Terms of Reference (TOR) is to solicit proposals from potential bidder(s) for the provision of travel management services, including but not limited to air-travel, land travel, accommodation, visa services, conferencing, incidental services such as cancellation, re-routing, revalidation, processing of refunds, etc. to the Municipal Demarcation Board (MDB).

The TOR details and incorporates, as far as possible, the tasks and responsibilities of the potential bidder required by the MDB for the provision of travel management services to the MDB.

The TOR does not constitute an offer to do business with the MDB, but merely serves as an invitation to bidder(s) to facilitate a requirements-based decision process.

## **2. LEGISLATIVE FRAMEWORK OF THE BID**

### **2.1 Tax Legislation**

2.1.1 Bidder(s) must be compliant when submitting a proposal to the MDB and remain compliant for the entire contract term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991).

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

2.1.3 The Tax Compliance status requirements are also applicable to foreign bidders / individuals who wish to submit bids.

2.1.4 It is a requirement that bidders grant a written confirmation when submitting this bid that SARS may, on an ongoing basis during the tenure of the contract, disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.

2.1.5 Bidders are required to be registered on the Central Supplier Database (CSD) and the National Treasury shall verify the bidder's tax compliance status through the CSD.

2.1.6 Where Consortia / Joint Ventures / Sub-contractors are involved; each party must be registered on the CSD and their tax compliance status will be verified through the CSD.

## 2.2. **Procurement Legislation**

MDB has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act, No. 1 of 1999), the Preferential Procurement Policy Framework Act 2000 (Act, No.5 of 2000) and the Broad-Based Black Economic Empowerment Act, 2003 (Act, No. 53 of 2003).

## 2.3. **Technical Legislation and/or Standards**

Bidder(s) should be cognisant of the legislation and/or standards specifically applicable to the services.

## 3. **BRIEFING SESSION**

There will be no briefing session conducted for this tender.

## 4. **TIMELINES OF THE BID PROCESS**

The period of validity of tender and the withdrawal of offers, after the closing date and time is 120 days. The project timeframes of this bid are set out below:

ACTIVITY	DUE DATE
Advertisement of bid on Government e-tender portal / tender bulletin:	28 September 2021
Questions relating to bid from bidder(s):	Until the closing date of the bid

Bid closing date:	19 October 2021 at 11H00
Notice to bidder(s):  <b>MDB</b> will endeavour to inform bidders of the progress until conclusion of the tender.	

Any time or date in this bid is subject to change at MDB's discretion. The establishment of a time or date in this bid does not create an obligation on the part of MDB to take any action, or create any right in any way for any bidder to demand that any action be taken on the date established. The bidder accepts that, if MDB extends the deadline for bid submission (the Closing Date) for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

## 5. CONTACT AND COMMUNICATION

- 5.1 A nominated official of the bidder(s) can make enquiries in writing, to Mr Abel Maluleka via e-mail [Abel@demarcation.org.za](mailto:Abel@demarcation.org.za) or alternatively on 012-342 2481 between 08:00 to 16:30, Monday to Friday, telephonic enquiries should be reduced to writing; and send to the above e-mail address.

For additional information visit the MDB website at [www.demarcation.org.za](http://www.demarcation.org.za).

- 5.2 Whilst all due care has been taken in connection with the preparation of this bid, MDB makes no representations or warranties that the content of the bid or any information communicated to or provided to Bidder(s) during the bidding process is, or will be, accurate, current or complete. MDB, and its employees and advisors will not be liable with respect to any information communicated which may not accurate, current or complete.
- 5.3 If Bidder(s) finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by MDB (other than minor clerical matters), the Bidder(s) must promptly notify MDB in writing of such discrepancy, ambiguity, error or inconsistency in order

to afford MDB an opportunity to consider what corrective action is necessary (if any).

- 5.4 Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by MDB will, if possible, be corrected and provided to all Bidder(s) without attribution to the Bidder(s) who provided the written notice.
- 5.5 All persons (including Bidder(s) obtaining or receiving the Bid and any other information in connection with the Bid or the tendering process must keep the contents of the Bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a proposal in response to this Bid.

## **6. LATE BIDS**

Bids received after the closing date and time, at the address indicated in the bid proposal, will not be accepted for consideration and where practicable, be returned unopened to the Bidder(s).

## **7. COUNTER CONDITIONS**

Bidders' attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by Bidders or qualifying any Bid Conditions will result in the invalidation of such bids.

## **8. FRONTING**

- 8.1 The MDB supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the MDB condemn any form of fronting.
- 8.2 The MDB, in ensuring that Bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made

in bid proposals. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry / investigation, the onus will be on the Bidder / contractor to prove that fronting does not exist. Failure to do so within a period of fourteen (14) days from date of notification may invalidate the bid / contract and may also result in the restriction of the Bidder /contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the MDB may have against the Bidder / contractor concerned.

## **9. SUPPLIER DUE DILIGENCE**

The MDB reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

## **10. SUBMISSION OF PROPOSALS (Desktop Technical Evaluation)**

10.1 Bid proposals must be placed in the tender box situated at Eco Origins Office Park, Block C1, 349 Witch-Hazel Avenue Highveld, Centurion, 0157 **OR** courier to the aforesaid address on or before the closing date and time.

10.2 Bid proposals will **ONLY** be considered if received by the MDB before the closing date and time, regardless of the method used to send or deliver such proposals to the MDB.

10.3 **The bidder(s) are required to submit as follows:**

10.3.1 **FILE 1:** The Technical Proposal envelope must contain one (1) original hard copy document, clearly marked Original"; and four (4) hardcopies, clearly marked "Copy" by the Closing Date.

10.3.2 **FILE 2:** Pricing Schedule/BBBEE envelope must contain one (1) original hard copy document, clearly marked Original".

10.3.3 The abovementioned files must be labelled and submitted in the following format:

FILE 1: TECHNICAL	FILE 2: PRICE & BBBEE
<b>Exhibit 1:</b> Pre-qualification documents <i>(Refer to Section 15.1 - Gate 0: Pre-qualification Criteria (Table 1))</i>	<b>Exhibit 1:</b> Pricing Schedule <i>(Refer to Section 14 – Pricing Model and Annexure A3 – Pricing Submission)</i>
<b>Exhibit 2:</b> <ul style="list-style-type: none"> <li>• Technical Responses and Bidder Compliance Checklist for Technical Evaluation</li> <li>• Supporting documents for technical responses. <i>(Refer to Section 15.2 - Gate 1: Technical Evaluation Criteria and Annexure A2 – Desktop Evaluation Technical Scorecard and Compliance Checklist)</i></li> </ul>	<b>Exhibit 2:</b> BBBEE Certificate (certified copy)
<b>Exhibit 3:</b> <ul style="list-style-type: none"> <li>• General Conditions of Contract (GCC)</li> <li>• Draft Service Level Agreement <i>(Refer to Section 18 – Service Level Agreement)</i></li> </ul>	<b>Exhibit 3:</b> Three (3) years audited/reviewed financial statements.
<b>Exhibit 4:</b> <ul style="list-style-type: none"> <li>• Company Profile</li> <li>• Any other supplementary information</li> </ul>	

10.4 Bidders are requested to initial each page of the tender proposal on the top right-hand corner.

## **11. PRESENTATION / DEMONSTRATION**

The MDB reserves the right to request presentations/demonstrations from the short-listed Bidders as part of the bid evaluation process. Refer to Annexure A2.

## **12. DURATION OF THE CONTRACT**

The successful bidder will be appointed for a period of five (5) years, sixty (60) months. No extensions will be permitted after the contractual period.

## **13. SCOPE OF WORK**

### **13.1 Background**

The MDB currently uses an external Travel Management Company to manage the travel requisition and travel expense processes within the travel management life-cycle. The travel requisition process is currently a semi-automated process, the MDB travel co-ordinator e-mails a travel request to the Travel Management Company. The Travel Management Company, then e-mails the travel confirmation details (itinerary) to the MDB travel co-ordinator, hereafter, the MDB's travel co-ordinator captures the travel confirmation into the MDB travel form which goes through an approval process and then through to the travel management company for payment.

The MDB's primary objective in issuing this TOR is to enter into agreement with a successful bidder(s) who will achieve the following:

- a) Provide the MDB with the travel management services that are consistent and reliable and will maintain a high level of traveller satisfaction in line with the service levels;
- b) Achieve significant cost savings for the MDB without any degradation in the services; and
- c) Appropriately contain the MDB's risk and traveller risk.

## 13.2 Travel Expenditure

The total volumes per annum includes air travel, accommodation, car and shuttle hire, conference, etc. The table below details the expenditure per and the number of transactions for the Financial Year 2019/20 and 2020/21 as follows, no international travel occurred during this period:

### FINANCIAL YEAR: 2019/20

SERVICES	TRANSACTIONS	TOTAL FARE
Air Tickets	319	1343 318.16
Land Arrangements	648	1416 819.75
GROUP	TRANSACTIONS	
Accommodation	391	
Car Hire	124	
Conference	1	
Dinner	5	
Domestic Air Travel	319	
Domestic Service Fee	4	
International Air Travel	0	
Parking	36	
Refund Fee	(12)	
Service Fee Accommodation	393	
Service Fee Car Hire	116	
Service Fees: Conference	1	
Service Fees Domestic	328	
Emergency After Hour Service Fees	4	
Change Fee	1	
Service Fees Transfers	89	
Tours	(1)	
Transfers	92	

### FINANCIAL YEAR: 2020/21

SERVICES	TRANSACTIONS	TOTAL FARE
Air Tickets	40	86 362.96
Land Arrangements	51	96 965.44
GROUP	TRANSACTIONS	
Accommodation	39	
Car Hire	4	
Domestic Air Travel	40	



Domestic Service Fee	5
Parking	(1)
Service Fee Accommodation	40
Service Fee Car Hire	58
Service Fees Domestic	14
Emergency After Hour Service Fees	1
Service Fees Transfers	7
Transfers	9

**Note:** These figures indicated above are projections based on the current trends (Project-Based) and may vary during the tenure of the contract and excludes other costs/taxes. The purpose of the above table is an illustration and is meant to assist bidders in preparing their proposal. Consideration must also be given to the unusual situation of the COVID-19 pandemic that started in March 2020.

### 13.3 Service Requirements

#### 13.3.1 General

The successful bidder will be required to provide travel management services. Deliverables under this section include without limitation, the following:

- a. The travel services will be provided to all Travellers travelling on behalf of the MDB, locally and internationally. This will include employees and contractors, consultants and clients where the agreement is that the MDB is responsible for the arrangement and cost of travel.
- b. Provide travel management services during normal office hours (Monday to Friday 8h00 – 17h00); and provide after hours and emergency services as stipulated in paragraph 13.3.6.
- c. Familiarisation with current MDB's travel business processes.
- d. Familiarisation with current travel suppliers and negotiated agreements that are in place between the MDB and third parties. Assist with further negotiations for better deals with travel service providers.

- e. Familiarisation with current MDB's Travel Policy and implementation of control measures to ensure compliance.
- f. Penalties incurred as a result of the inefficiency or fault of a travel consultant will be for the **Travel Management Company (TMC)**'s account, subject to the outcome of a formal dispute process.
- g. Provide a facility to update traveller's profiles.
- h. Manage the third party service providers by addressing service failures and complaints against these service providers.
- i. Consolidate all invoices from travel suppliers.
- j. Provide a detailed transition plan for implementing the service without service interruptions and engage with the incumbent service provider to ensure a smooth transition.
- k. Provide the reference letters from at least three (3) contactable existing/recent clients (within past 3 years).
- l. It will be an added advantage if the bidder is a member of ASATA (Association of South African Travel Agents). Proof of such membership must be submitted with the bid at closing date and time.
- m. Manage all refunds and non-refundable travel: air; accommodation, transportation and conferencing.

### 13.3.2 Reservations

#### **The Travel Management Company will:**

- a. Receive travel requests from travellers and/or travel bookers, respond with quotations (confirmations) and availability. Upon the receipt of the relevant approval, the travel agent will issue the required e-tickets and vouchers immediately and send it to the travel booker and traveller via the agreed communication medium.
- b. Always endeavour to make the most cost effective travel arrangements based on the request from the traveller and/or travel booker.

- c. Apprise themselves of all travel requirements for destinations to which travellers will be travelling and advise the Traveller of alternative plans that are more cost effective and more convenient where necessary.
- d. Obtain a minimum of three (3) price comparisons for all travel requests where the routing or destination permits.
- e. Book the negotiated discounted fares and rates where possible.
- f. Must keep abreast of carrier schedule changes as well as all other alterations and new conditions affecting travel and make appropriate adjustments for any changes in flight schedules prior to or during the traveller's official trip. When necessary, e-tickets and billing shall be modified and reissued to reflect these changes.
- g. Book parking facilities at the airports where required for the duration of the travel.
- h. Respond timely and process all queries, requests, changes and cancellations timeously and accurately.
- i. Must be able to facilitate group bookings (e.g. for meetings, conferences, events, etc.)
- j. Must issue all necessary travel documents, itineraries and vouchers timeously to traveller(s) prior to departure dates and times.
- k. Advise the Traveller of all visa and inoculation requirements well in advance.
- l. Assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.
- m. Facilitate any reservations that are not bookable on the Global Distribution System (GDS).
- n. Facilitate the bookings that are generated through their own- or third-party Online Booking Tool (OBT) where it can be implemented.
- o. Note that, unless otherwise stated, all cases include domestic, regional and international travel bookings.

- p. Visa applications will not be the responsibility of the TMC; however, the relevant information must be supplied to the traveller(s) where visas will be required.
- q. Negotiated airline fares, accommodation establishment rates, car rental rates, etc. that are negotiated directly or established by National Treasury or by the MDB are **non-commissionable**, where commissions are earned for the MDB bookings all these commissions should be returned to the MDB on a quarterly basis.
- r. Ensure confidentiality in respect of all travel arrangements and concerning all persons requested by the MDB.
- s. Timely submission of proof that services have been satisfactorily delivered (invoices) as per the MDB's instructions.

#### 13.3.3 Air Travel

- a. The TMC must be able to book full service carriers as well as low cost carriers, depending on availability, followed by three (3) quotes.
- b. The TMC will book the most cost effective airfares possible for domestic travel.
- c. For international flights, the airline which provides the most cost effective and practical routings may be used.
- d. The TMC should obtain three or more price comparisons where applicable to present the most cost effective and practical routing to the Traveller.
- e. The airline ticket should include the applicable airline agreement number as well as the individual loyalty program number of the Traveller (if applicable).
- f. Airline tickets must be delivered electronically (SMS and/or email format) to the traveller(s) and travel bookers promptly after booking before the departure times.
- g. The TMC will also assist with the booking of charters for VIPs utilising the existing transversal term contract where applicable as well as the sourcing of alternative service providers for other charter requirements.

- h. The TMC will be responsible for the tracking and management of unused e-tickets as per agreement with the institution and provide a report on refund management once a quarter.
- i. The TMC must during their report period provide proof that bookings were made against the discounted rates on the published fairs where applicable.
- j. Ensure that travellers are always informed of any travel news regarding airlines (like baggage policies, checking in arrangements, etc.)
- k. Assist with lounge access if and when required.

#### **13.3.4 Accommodation**

- a. The TMC will obtain price comparisons within the maximum allowable rate matrix as per the cost containment instruction of the National Treasury.
- b. The TMC will obtain three (3) price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and that is located as close as possible to the venue or office or location or destination of the traveller
- c. This includes planning, booking, confirming and amending of accommodation with any establishment (hotel group, private hotel, guest house or Bed & Breakfast) in accordance with the MDB's travel policy.
- d. The MDB travellers may only stay at accommodation establishments with which Government rates have been determined by both the MDB and National Treasury. Should there be no rate agreement in place in the destination, or should the contracted establishment be unable to accommodate the traveller, the TMC will source suitable accommodation bearing in mind the requirement of convenience for the traveller and conformation with acceptable costs, or as stipulated in written directives issued from time to time by the National treasury or the MDB.
- e. Accommodation vouchers must be issued to all MDB's travellers for accommodation bookings and must be invoiced to the MDB as per arrangement. Such invoices must be supported by a copy of the original hotel accommodation charges.

- f. The TMC must during their report period provide proof, where applicable, that accommodation rates were booked within the maximum allowable rates as per the cost containment instruction of the National Treasury.
- g. Cancellation of accommodation bookings must be done promptly to guard against no show and late cancellation fees.

#### **13.3.5 Car Rental and Shuttle Services**

- a. The TMC will book the approved category vehicle in accordance with the MDB's Travel Policy with the appointed car rental service provider from the closest rental location (airport, hotel and venue).
- b. The travel consultant should advise the Traveller on the best time and location for collection and return considering the Traveller's specific requirements.
- c. The TMC must ensure that relevant information is shared with travellers regarding rental vehicles, like e-tolls, refuelling, keys, rental agreements, damages and accidents, etc.
- d. For international travel the TMC may offer alternative ground transportation to the Traveller that may include rail, buses and transfers.
- e. The TMC will book transfers in line with the MDB's Travel Policy with the appointed and/or alternative service providers. Transfers can also include bus and coach services.
- f. The TMC should manage shuttle companies on behalf of the MDB and ensure compliance with minimum standards. The TMC should also assist in negotiating better rates with relevant shuttle companies.
- g. The TMC must during their report period provide proof that negotiated rates were booked, where applicable.

#### **13.3.6 After-Hours and Emergency Services**

- a. The TMC must provide a consultant or team of consultants to assist Travellers with after hours and emergency reservations and changes to travel plans.

- b. A dedicated consultant/s must be available to assist VIP/Executive Travellers with after hour or emergency assistance.
- c. After hours' services must be provided from Monday to Friday outside the official hours (17h00 to 8h00) and twenty-four (24) hours on weekends and public holidays.
- d. A call centre facility or after hours contact number should be available to all travellers so that when required, unexpected changes to travel plans can be made and emergency bookings attended to.
- e. The Travel Management Company must have a standard operating procedure for managing after hours and emergency services. This must include purchase order generation of the request within 24 hours.

#### **13.4 Communication**

- 13.4.1 The TMC may be requested to conduct workshops and training sessions for travel bookers of the MDB.
- 13.4.2 All enquiries must be investigated and prompt feedback be provided in accordance with the Service Level Agreement.
- 13.4.3 The TMC must ensure sound communication with all stakeholders. Link the business traveller, travel coordinator, TMC in one smooth continuous workflow.

#### **13.5 Financial Management**

- 13.5.1 The TMC must implement the rates negotiated by the MDB with travel service providers or the discounted air fares, or the maximum allowable rates established by the National Treasury where applicable.
- 13.5.2 The TMC will be responsible to manage the service provider accounts. This will include the timely receipt of invoices to be presented to the MDB for payment within the agreed time period.
- 13.5.3 Enable savings on total annual travel expenditure and this must be reported and proof provided during monthly and quarterly reviews.

- 13.5.4 The TMC will be required to offer a 30-day bill-back account facility to institutions should a lodge card not be offered. 'Bill back', refers to the supplier sending the bill back to the TMC, who, in turn, invoices the MDB for the services rendered.
- 13.5.4 Where pre-payments are required for smaller Bed & Breakfast /Guest House facilities, these will be processed by the TMC. These are occasionally required at short notice and even for same day bookings.
- 13.5.5 Consolidate Travel Supplier bill-back invoices.
- 13.5.6 In certain instances where institutions have a travel lodge card in place, the payment of air, accommodation and ground transportation is consolidated through a corporate card vendor.
- 13.5.7 The TMC is responsible for the consolidation of invoices and supporting documentation to be provided to the MDB's Finance Division on the agreed time period (e.g. weekly). This includes attaching the Travel Authorisation or Purchase Order and other supporting documentation to the invoices reflected on the Service provider bill-back report or the credit card statement.
- 13.5.8 Ensure Travel Supplier accounts are settled timeously.

#### **13.6 Technology, Management Information and Reporting**

- 13.6.1 The TMC must have the capability to consolidate all management information related to travel expenses into a single source document with automated reporting tools.
- 13.6.2 The implementation of an Online Booking Tool to facilitate domestic bookings should be considered to optimise the services and related fees.
- 13.6.3 All management information and data input must be accurate.
- 13.6.4 The TMC will be required to provide the MDB with a minimum of three (3) standard monthly reports that are in line with the National Treasury's Cost Containment Instructions, consult the National Treasury website.
- 13.6.5 Reports must be accurate and be provided as per the MDB's specific requirements at the agreed time. Information must be available on a



transactional level that reflect detail including the name of the traveller, date of travel, spend category (example air travel, shuttle, accommodation).

- 13.6.6 The MDB may request the TMC to provide additional management reports.
- 13.6.7 Reports must be available in an electronic format for example Microsoft Excel or Word.
- 13.6.8 Service Level Agreements reports must be provided on the agreed date. It will include but will not be limited to the following:

- i. **Travel**

- a) After hours' Report;
- b) Compliments and complaints;
- c) Consultant Productivity Report;
- d) Long term accommodation and car rental;
- e) Extension of business travel to include leisure;
- f) Upgrade of class of travel (air, accommodation and ground transportation);
- g) Bookings outside Travel Policy.

- ii. **Finance**

- a) Reconciliation of commissions/rebates or any volume driven incentives;
- b) Creditor's ageing report;
- c) Creditor's summary payments;
- d) Daily invoices;
- e) Reconciled reports for Travel Lodge card statement;
- f) No show report;
- g) Cancellation report;
- h) Receipt delivery report;
- i) Monthly Bank Settlement Plan (BSP) Report;
- j) Refund Log;
- k) Open voucher report, and
- l) Open Age Invoice Analysis.

13.6.9 The TMC will implement all the necessary processes and programs to ensure that all the data is secure at all times and not accessible by any unauthorised parties.

### **13.7 Account Management**

13.7.1 An Account Management structure should be put in place to respond to the needs and requirements of the MDB and act as a liaison for handling all matters with regard to delivery of services in terms of the contract.

13.7.2 The TMC must appoint a dedicated Account or Business Manager that is ultimately responsible for the management of the MDB's account.

13.7.3 The necessary processes should be implemented to ensure good quality management and ensuring Traveller satisfaction at all times.

13.7.4 A complaint handling procedure must be implemented to manage and record the compliments and complaints of the TMC and other travel service providers.

13.7.5 Ensure that the MDBs Travel Policy is enforced.

13.7.6 The Service Level Agreement (SLA) must be managed and customer satisfaction surveys conducted to measure the performance of the TMC.

13.7.7 Ensure that workshops/training is provided to Travellers and/or Travel Bookers.

13.7.8 During reviews, comprehensive reports on the travel spend and the performance in terms of the SLA must be presented.

### **13.8 Value Added Services**

The TMC must provide the following value added services:

13.8.1 Destination information for regional and international destinations:

- i. Health warnings;
- ii. Weather forecasts;
- iii. Places of interest;
- iv. Visa information;
- v. Travel alerts;

- vi. Location of hotels and restaurants;
  - vii. Information including the cost of public transport;
  - viii. Rules and procedures of the airports;
  - ix. Business etiquette specific to the country;
  - x. Airline baggage policy; and
  - xi. Supplier updates.
- 13.8.2 Electronic voucher retrieval via web and smart phones;
- 13.8.3 SMS notifications for travel confirmations;
- 13.8.4 Travel audits;
- 13.8.5 Global Travel Risk Management;
- 13.8.6 VIP services for Executives that include, but is not limited to check-in support.

### **13.9 Cost Management**

- 13.9.1 The National Treasury cost containment initiative and the MDB's Travel Policy is establishing a basis for a cost savings culture.
- 13.9.2 It is the obligation of the TMC Consultant to advise on the most cost-effective option at all times, and costs should be within the framework of the National Treasury's cost containment instructions.
- 13.9.3 The TMC plays a pivotal role to provide high quality travel related services that are designed to strike a balance between effective cost management, flexibility and traveller satisfaction.
- 13.9.4 The TMC should have in-depth knowledge of the relevant supplier(s)' products, to be able to provide the best option and alternatives that are in accordance with MDB's Travel Policy to ensure that the Traveller reaches his/her destination safely, in reasonable comfort, with minimum disruption, cost effectively and in time to carry out his/her business.

### **13.10 Quarterly and Annual Travel Reviews by the TMC**

13.10.1 Quarterly reviews are required to be presented on all MDB's travel activity to the Corporate Services and Finance Divisions as part of the performance management reviews based on the SLA.

These Travel Reviews will include without limitation the following information:

- TMC must comply with the reporting requirements as listed in the National Treasury Instruction 3 of 2016/17 (Cost Containment Measures related to Travel & Subsistence), as well as other applicable instructions issued by National Treasury on reporting requirements.
- Provisions pertaining to reporting compliance in the SLA between the MDB and bidder.

### **13.11 Office Management**

13.11.1 The TMC to ensure high quality service to be delivered at all times to the MDB's travellers. The TMC is required to provide the MDB with highly skilled and qualified human resources of the following roles but not limited to:

- a. Senior Consultants
- b. Intermediate Consultants
- c. Junior Consultants
- d. Travel Manager (Operational)
- e. Finance Manager / Branch Accountant
- f. Admin Back Office (Creditors / Debtors/Finance Processors)
- g. Strategic Account Manager (per hour)
- h. System Administrator (General Admin)

**14. PRICING MODEL** (For estimated volume on the Pricing Schedule Annexure A3, use transaction projections as indicated on pages 15-16)

MDB requires bidders to propose two (2) pricing models being the transactional fee model and the management fee model. The MDB reserve the right to choose the most cost effective or practical model.

**14.1 Transaction Fees Model (Template 2)**

14.1.1 The transaction fee must be a fixed amount per service. The fee must be linked to the cost involved in delivering the service and not a percentage of the value or cost of the service provided by third party service providers.

14.1.2 The Bidder must further indicate the estimated percentage split between traditional booking and on-line bookings.

**14.2 Management Fee Model (Template 4)**

14.2.1 The management fee is the total fee per annum that will be charged to the MDB in twelve payments. The MDB will pay the fee monthly in arrears.

**14.3 Volume driven incentives**

14.3.1 It is important for bidders to note the following when determining the pricing:

- National Treasury has negotiated non-commissionable fares and rates with various airlines carriers and other service providers;
- No override commissions earned through the MDB reservations will be paid to the TMC;
- An open book policy will apply and any commissions earned through the MDB volumes will be reimbursed to the MDB.
- TMC are to book these negotiated rates or the best fare available, whichever is the most cost effective for the institution.

## 15. EVALUATION AND SELECTION CRITERIA

MDB has set minimum standards (Gates) that a bidder needs to meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

Pre-qualification Criteria: Table 1	Technical Evaluation Criteria: Annexure A2	Price and BBBEE Evaluation: Annexure A3	Site Inspection
(GATE 0) ➡	(GATE 1) ➡	(GATE 2)	(GATE 3)
Bidders must submit all proposals as outlined in paragraph 16.1 (Table 1) below. Only bidders that comply with ALL these criteria will proceed to Gate 1.	Bidder(s) are required to achieve a minimum of <b>75</b> points out of 100 points to proceed to Gate 2 (Price and BBBEE).	Bidder(s) will be evaluated out of 100 points and Gate 2 will only apply to bidder(s) who have met and exceeded the threshold of <b>75</b> points.	Site Inspection Checklist: A non-scoring method with the top two (2) short-listed bidders.

### 15.1 Pre-Qualification Criteria (GATE 0)

Without limiting the generality of the MDB's other critical requirements for this Bid, bidder(s) must submit the proposals listed in **Table 1** below. All proposals must be completed and signed by the duly authorised representative of the prospective bidder(s). During this phase Bidders' responses will be evaluated based on compliance with the listed administration and mandatory bid requirements. The bidder(s) proposal may be disqualified for non-submission of any of the documents.

**Table 1: GATE 0: Documents that must be submitted for Pre-qualification**

Document that must be submitted	Non-submission may result in disqualification?	
Invitation to Bid – SBD 1	<b>YES</b>	Complete and sign the supplied pro forma document
Tax Status Tax Clearance Certificate – SBD 2	<b>YES</b>	<ul style="list-style-type: none"> <li>i. Written confirmation that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status. (Refer to par. 2.1.4)</li> <li>ii. Proof of Registration on the CSD (Refer to par. 2.1.5)</li> <li>iii. Vendor number</li> <li>iv. In the event where the Bidder submits a hard copy of the Tax Clearance Certificate, the CSD verification outcome will take precedence.</li> </ul>
Declaration of Interest – SBD 4	<b>YES</b>	Complete and sign the supplied pro forma document.
Preference Point Claim Form – SBD 6.1	<b>NO</b>	Non-submission will lead to a zero (0) score on BBEE.
Declaration of Bidder's Past Supply Chain Management Practices – SBD 8	<b>YES</b>	Complete and sign the supplied pro forma document.
Certificate of Independent Bid Determination – SBD 9	<b>YES</b>	Complete and sign the supplied pro forma document.
Bidder Compliance form for Functional Evaluation (Annexure 2)	<b>YES</b>	Complete and sign.
Registration on CSD	<b>NO</b>	The TMC must be registered as a service provider on the CSD. If you are not

Document that must be submitted	Non-submission may result in disqualification?	
		registered proceed to complete the registration of your company prior to submitting your proposal. Visit <a href="https://secure.csd.gov.za/">https://secure.csd.gov.za/</a> to obtain your vendor number. Submit proof of registration.
<b>IATA Licence / Certificate</b>	<b>YES</b>	<p>i. Bidders are required to submit their International Air Transport Association (IATA) license/ certificate (certified copy) at closing date.</p> <p>ii. Where a bidding company is using a 3rd party IATA license, proof of the agreement must be attached and copy of the certificate to that effect at closing date.</p>
<b>Business Registration</b>		i. Including details of directorship and membership.
<b>Bank Account holder information</b>		
<b>Pricing Schedule (File 2)</b>	<b>YES</b>	Submit full details of the pricing proposal as per Annexure A3 in a separate file.

## 15.2 GATE 1: Technical Evaluation Criteria: 100 points

All bidders are required to respond to the technical evaluation criteria scorecard and compliance checklist. Refer to **Annexure A2**.

Only Bidders that have met the Pre-Qualification Criteria (Gate 0) will be evaluated in Gate 1 for functionality. Functionality will be evaluated as follows:



- i. Desktop Technical Evaluation (80 points) and Presentation (20 points) Bidders will be evaluated out of 100 points and are required to achieve minimum threshold of 75 points out of 100 points on functionality.
- ii. The combined score must be equal to or above 75 points in order to proceed to Gate 2 for Price and BBBEE evaluations.

As part of due diligence, the MDB will conduct a site inspection at a client of the Bidder (reference) for validation of the services rendered. The choice of site will be at MDB's sole discretion.

The Bidder's information will be scored according to the following points system:

FUNCTIONALITY	POINTS	MAXIMUM POINTS ACHIEVABLE	MINIMUM THRESHOLD
Desktop Technical Evaluation Details found in Technical Scorecard Annexure A2	80	100	75
Presentation Annexure A2	20		

### 15.3 GATE 2: PRICE AND BBBEE STATUS LEVEL OF CONTRIBUTOR

#### 80/20 Preference Point System on Price and BBBEE

Only Bidders that have met the **75 points** threshold in Gate 1 will be evaluated in Gate 2 for Price and BBBEE. Price and BBBEE will be evaluated as follows:

In terms of regulations 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated on the 80/20-preference point system in terms of which points are awarded to bidders on the basis of:

- **The bid price (maximum 80 points)**
- **BBBEE status level of contributor (maximum 20 points)**

The rand value, including all applicable taxes, for the application of the 80/20 preference point system will be applied.

In applying the preference point system, 80 points are allocated to a tenderer who submits the lowest acceptable tender price and a maximum of 20 points may be awarded to a tenderer for BBBEE status level of contributor.

Both the points allocated for price (80) and the BBBEE points (20) are combined or calculated to a total out of 100, and the tender must be awarded to the tenderer who scores the highest number of total points.

**PS:** The formula on the 80/20 Preference Point System on Price and BBBEE will be used for calculation purposes.

### **GATE 3: SITE INSPECTION CHECKLIST**

A non-scoring method will be conducted during the site inspection with the top two (2) short-listed bidders and the following checklist will be used to evaluate the infrastructure of the short-listed bidders:

<b>CHECKLIST</b>	<b>YES / NO</b>	
<b>PREMISES</b> <ul style="list-style-type: none"> <li>- Professional image and hygiene</li> <li>- Location</li> <li>- Accessibility</li> <li>- Office set-up</li> <li>- Valid lease agreement or title deed</li> </ul>		
<b>STAFF</b> <ul style="list-style-type: none"> <li>- Number of consultants/staff</li> <li>- Number of support staff</li> <li>- Average years of working experience</li> <li>- HR policies and business processes and systems</li> </ul>		

<b>ICT REQUIREMENTS</b> <ul style="list-style-type: none"> <li>- Equipment</li> <li>- Back-up services</li> <li>- Server room</li> <li>- Network communication</li> <li>- Telephone lines</li> </ul>		
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#### **15.4 Joint Ventures, Consortiums and Trusts**

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

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

Bidders must submit concrete proof of the existence of joint ventures and/or consortium arrangements. The MDB will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.

The joint venture and/or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.

#### **15.5 Sub-contracting**

Bidders/ tenderers who want to claim Preference Points will have to comply fully with regulations 11(8) and 11(9) of the PPPFA Act with regard to sub-contracting.

The following is an extract from the PPPFA Act:

11(8) "A person must not be awarded points for BBBEE status level if it is indicated in the tender documents that such a tenderer 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 tenderer qualifies for, unless the intended sub-contractor is an Exempt Micro Enterprises (EME) that has the capability and ability to execute the sub-contract."

11(9) "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 BBBEE 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."

*iii. Stage 3 (80 + 20 = 100 points)*

The Price and BBBEE points will be consolidated.

## **16. GENERAL CONDITIONS OF CONTRACT**

Any award made to a bidder(s) under this bid is conditional, amongst others, upon: –

- a. The bidder(s) accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which the MDB is prepared to enter into a contract with the successful Bidder(s).
- b. The bidder submitting the General Conditions of Contract to the MDB together with its bid, duly signed by an authorised representative of the bidder.

## **17. CONTRACT PRICE ADJUSTMENT**

Due to contract price adjustments that will be done annually on the anniversary of the contract start date, this contract will be a non-fixed contract for the duration of the contractual period. The price adjustment will be based on the Consumer Price Index Headline Inflation.

## **18. SERVICE LEVEL AGREEMENT – (NON-FIXED CONTRACT)**

- 18.1 Upon awarding the tender, the MDB and the successful bidder will conclude a Service Level Agreement (SLA) regulating the specific terms and conditions applicable to the services being procured by the MDB, more or less in the format of the draft service level indicators included in this tender proposal.
- 18.2 The MDB reserves the right to vary the proposed draft service level indicators during the course of negotiations with a bidder by amending or adding thereto.
- 18.3 Bidder(s) are requested to:
  - a. Comment on draft service level indicators and where necessary, make proposals to the indicators;
  - b. Explain each comment and/or amendment; and
  - c. Use an easily identifiable colour font or “track changes” for all changes and/or amendments to the service level indicators for ease of reference.
- 18.4 The MDB reserves the right to accept or reject any or all amendments or additions proposed by a bidder if such amendments or additions are unacceptable to the MDB or pose a risk to the organisation.

## **19. SPECIAL CONDITIONS OF THIS BID**

**The MDB reserves the right:**

- 19.1 To award this tender to a bidder that did not score the highest total number of points, only in accordance with section 2(1)(f) of the PPPFA (Act 5 of 2000)
- 19.2 To negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).
- 19.3 To accept part of a tender rather than the whole tender.
- 19.4 To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid.

- 19.5 To correct any mistakes at any stage of the tender that may have been in the Bid proposals or occurred at any stage of the tender process.
- 19.6 To cancel and/or terminate the tender process at any stage, including after the Closing Date and/or after presentations have been made, and/or after tenders have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.
- 19.7 Award to multiple bidders based either on size or geographic considerations.

## **20. MDB REQUIRES BIDDER(S) TO DECLARE**

In the Bidder's Technical response, bidder(s) are required to declare the following:

- 20.1 Confirm that the bidder(s) is to: –
  - a. Act honestly, fairly, and with due skill, care and diligence, in the interests of the MDB;
  - b. Have and employ effectively the resources, procedures and appropriate technological systems for the proper performance of the services;
  - c. Act with circumspection and treat the MDB fairly in a situation of conflicting interests;
  - d. Comply with all applicable statutory or common law requirements applicable to the conduct of business;
  - e. Make adequate disclosures of relevant material information including disclosures of actual or potential own interests, in relation to dealings with the MDB;
  - f. Avoidance of fraudulent and misleading advertising, canvassing and marketing;
  - g. To conduct their business activities with transparency and consistently uphold the interests and needs of the MDB as a client before any other consideration; and

- h. To ensure that any information acquired by the bidder(s) from the MDB will not be used or disclosed unless the written consent of the client has been obtained to do so.

## **21. CONFLICT OF INTEREST, CORRUPTION AND FRAUD**

21.1 The MDB reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of the MDB or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity"):

- a. engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- b. seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- c. makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of the MDB's officers, directors, employees, advisors or other representatives;
- d. makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;

- e. accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- f. pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- g. has in the past engaged in any matter referred to above; or
- h. has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

## **22. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT**

- 22.1 The bidder should note that the terms of its Tender will be incorporated in the proposed contract by reference and that the MDB relies upon the bidder's Tender as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder.
- 22.2 It follows therefore that misrepresentations in a Tender may give rise to service termination and a claim by the MDB against the bidder notwithstanding the conclusion of the Service Level Agreement between the MDB and the bidder for the provision of the Service in question. In the event of a conflict between the bidder's proposal and the Service Level Agreement concluded between the parties, the Service Level Agreement will prevail.

## **23. PREPARATION COSTS**

The Bidder will bear all its costs in preparing, submitting and presenting any response or Tender to this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in this bid will be construed as placing the MDB, its employees or agents under any obligation whatsoever, including



in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of their response to this bid.

#### **24. INDEMNITY**

If a bidder breaches the conditions of this bid and, as a result of that breach, the MDB incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds the MDB harmless from any and all such costs which the MDB may incur and for any damages or losses the MDB may suffer.

#### **25. PRECEDENCE**

The TOR will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this TOR by reference.

#### **26. LIMITATION OF LIABILITY**

A bidder participates in this bid process entirely at its own risk and cost. The MDB shall not be liable to compensate a bidder on any grounds whatsoever for any costs incurred or any damages suffered as a result of the Bidder's participation in this Bid process.

#### **27. TAX COMPLIANCE**

No tender shall be awarded to a bidder who is not tax compliant. The MDB reserves the right to withdraw an award made, or cancel a contract concluded with a successful bidder in the event that it is established that such bidder was in fact not tax compliant at the time of the award, or has submitted a fraudulent Tax Clearance Certificate to the MDB, or whose verification against the CSD proves non-compliant. The MDB further reserves the right to cancel a contract with a successful bidder in the event that such bidder does not remain tax compliant for the full term of the contract.

## **28. TENDER DEFAULTERS AND RESTRICTED SUPPLIERS**

No tender shall be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. The MDB reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been blacklisted with National Treasury by another government institution.

## **29. GOVERNING LAW**

South African law governs this bid and the bid response process. The bidder agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

## **30. RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL**

A bidder is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its sub-contractors (if any); and personnel of its sub-contractors comply with all terms and conditions of this bid.

In the event that the MDB allows a bidder to make use of sub-contractors, such sub-contractors will at all times remain the responsibility of the bidder and the MDB will not under any circumstances be liable for any losses or damages incurred by or caused by such sub-contractors.

## **31. CONFIDENTIALITY**

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's tender(s) will be disclosed by any bidder or other

person not officially involved with the MDB's examination and evaluation of a Tender.

No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a Tender.

This bid and any other documents supplied by the MDB remain proprietary to the MDB and must be promptly returned to the MDB upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived there from.

Throughout this bid process and thereafter, bidder(s) must secure the MDB's written approval prior to the release of any information that pertains to:

(i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

## **32. MDB PROPRIETARY INFORMATION**

Bidder will on their bid cover letter make declaration that they did not have access to any MDB proprietary information or any other matter that may have unfairly placed that bidder in a preferential position in relation to any of the other bidder(s).

## **33. AVAILABILITY OF FUNDS**

Should funds no longer be available to pay for the execution of the responsibilities of this bid, the MDB may terminate the Agreement at its own discretion or temporarily suspend all or part of the services by notice to the successful bidder who shall immediately decide to stop the performance of the services and minimize further expenditure, provided that:

- The successful bidder shall thereupon be entitled to payment in full for the services delivered up to the date of cancellation or suspension.

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE MUNICIPAL DEMARCATION BOARD</b>					
BID NUMBER:	MDB005-2021-2022	CLOSING DATE: 19-10-2021		CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF A TRAVEL MANAGEMENT COMPANY TO THE MUNICIPAL DEMARCATION BOARD (MDB) FROM 01 NOVEMBER 2021 TO 31 OCTOBER 2026, PERIOD OF FIVE YEARS, SIXTY (60) MONTHS				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
Block C1 Eco Origin					
349 Witch-Hazel Avenue					
Highveld					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	Mr Abel Maluleka		CONTACT PERSON	Ms Vanie Naidoo	
TELEPHONE NUMBER	012 342 2481		TELEPHONE NUMBER	012 342 2481	
FACSIMILE NUMBER	012 342 2480		FACSIMILE NUMBER	012 342 2480	
E-MAIL ADDRESS	Abel@demarcation.org.za		E-MAIL ADDRESS	Vanie@demarcation.org.za	
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW ]
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
<b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.</b>					

--

## PART B TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b>
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE <a href="http://WWW.SARS.GOV.ZA">WWW.SARS.GOV.ZA</a> .
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

(Proof of authority must be submitted e.g. company resolution)

DATE: .....

## TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

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

## PRICING SCHEDULE – FIRM PRICES (PURCHASES)

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

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

Name of bidder.....	Bid number.....
Closing Time 11:00	Closing date.....

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

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

- 
- Required by: .....
  - At: .....
  - Brand and model .....
  - Country of origin .....
  - Does the offer comply with the specification(s)? \*YES/NO
  - If not to specification, indicate deviation(s) .....
  - Period required for delivery .....  
\*Delivery: Firm/not firm
  - Delivery basis .....

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

\*\* "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

\*Delete if not applicable



## PRICING SCHEDULE – NON-FIRM PRICES (PURCHASES)

**NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.**

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

Name of Bidder.....Bid number.....  
Closing Time 11:00 ..... Closing date.....

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
-----			
-	Required by:	.....	
-	At:	.....	
-	Brand and model	.....	
-	Country of origin	.....	
-	Does the offer comply with the specification(s)?		*YES/NO
-	If not to specification, indicate deviation(s)	.....	
-	Period required for delivery	.....	
-	Delivery:		*Firm/not firm

\*\* "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

\*Delete if not applicable

## A NON-FIRM PRICES SUBJECT TO ESCALATION

- $$Pa = (1 - V)Pt \left( D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{R4t}{R4o} \right) + VPt$$

Pa	=	The new escalated price to be calculated.
(1-V)Pt	=	85% of the original bid price. <b>Note that Pt must always be the original bid price and not an escalated price.</b>
D1, D2..	=	Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%.
R1t, R2t.....	=	Index figure obtained from new index (depends on the number of factors used).
R1o, R2o	=	Index figure at time of bidding.
VPt	=	15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

- Index..... Dated.....      Index..... Dated.....      Index..... Dated.....
- Index..... Dated.....      Index..... Dated.....      Index..... Dated.....

- [illegible]

**B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS**

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

**PRICING SCHEDULE**  
(Professional Services)

NAME OF BIDDER: .....	BID NO.: <b>MDB005– 2021/2022</b>
CLOSING TIME <b>11:00</b>	CLOSING DATE: <b>19 October 2021</b>

OFFER TO BE VALID FOR **120** DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)	
1.	The accompanying information must be used for the formulation of proposals.		
2.	Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.	R.....	
3.	PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)		
4.	PERSON AND POSITION	HOURLY RATE	DAILY RATE
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
	.....	R.....	.....
5.	PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT		
	.....	R.....	..... days
	.....	R.....	..... days
	.....	R.....	..... days
	.....	R.....	..... days
5.1	Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.		
	DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY AMOUNT
	.....	.....	R.....
	.....	.....	R.....
	.....	.....	R.....
	.....	.....	R.....
		TOTAL: R.....	

\*\* "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance contributions and skills development levies.

Name of Bidder: .....

- 5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
TOTAL: R.....			

6. Period required for commencement with project after acceptance of bid .....  
 7. Estimated man-days for completion of project .....  
 8. Are the rates quoted firm for the full period of contract? \*YES/NO  
 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index. ....  
 .....  
 .....  
 .....

\*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

**Department: MUNICIPAL DEMARCATION BOARD****Contact Person: Mr Abel Maluleka**Tel: 087 150 4418 (direct)  
012 342 2481 (switchboard)

Fax: 012 342 2480

E-mail address: [Abel@demarcation.org.za](mailto:Abel@demarcation.org.za)

Or for technical information –

**Contact Person: Ms Vanie Naidoo**Tel: 087 150 4441 (direct)  
012 342 2481 (switchboard)

Fax: 012 342 2480

E-mail address: [Vanie@demarcation.org.za](mailto:Vanie@demarcation.org.za)

## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, 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 a price quotation, advertised competitive bid, limited bid or proposal). 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, shareholder<sup>2</sup>): .....
  - 2.4 Company Registration Number: .....
  - 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.

<sup>1</sup>"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.

<sup>2</sup>"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 attached 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 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**

.....

.....

.....

**YES/NO**

.....

.....

.....

**YES/NO**

.....

.....

.....

[illegible]



#### 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 IN TERMS OF  
PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION  
PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

May 2011

## 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 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
<b>PRICE</b>	<b>80</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	<b>20</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

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**

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

Where

Ps = Points scored for price of bid under consideration

Pt = 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:

- What percentage of the contract will be subcontracted.....%
- The name of the sub-contractor.....
- The B-BBEE status level of the sub-contractor.....
- 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 least 51% owned by:	EME √	QSE √
Black people	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are youth	<input type="checkbox"/>	<input type="checkbox"/>
Black people who are women	<input type="checkbox"/>	<input type="checkbox"/>
Black people with disabilities	<input type="checkbox"/>	<input type="checkbox"/>
Black people living in rural or underdeveloped areas or townships	<input type="checkbox"/>	<input type="checkbox"/>
Cooperative owned by black people	<input type="checkbox"/>	<input type="checkbox"/>

Black people who are military veterans		
<b>OR</b>		
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 .....

.....

.....

## 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? <b>(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).</b>  The Database of Restricted Suppliers now resides on the National Treasury's website( <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> ) and can be accessed by clicking on its link at the bottom of the home page.	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)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	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**

Js365bW



**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 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.
- 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 (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> 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.

**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

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<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.

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

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