

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)			
BID NUMBER:	MMSEZ/2020/0703	CLOSING DATE:	24 July 2020
		CLOSING TIME:	11H00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT A MINERALS BENEFICIATION AND VALUE CHAIN DEVELOPMENT STUDY		
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)			
Limpopo Economic Development Agency (LEDA) Enterprise Development House, Main Road, Lebowakgomo			
sourcing@lieda.co.za			
PO BOX 760, Lebowakgomo, 0737			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		TECHNICAL ENQUIRIES MAY BE DIRECTED TO:	
CONTACT PERSON	TSHEGOFATSO LEDWABA	CONTACT PERSON	RICHARD ZITHA
TELEPHONE NUMBER	015 295 5120	TELEPHONE NUMBER	015 295 5120
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS	Tshegofatso.Ledwaba@lieda.co.za	E-MAIL ADDRESS	Richard.Zitha@lieda.co.za
SUPPLIER INFORMATION			
NAME OF BIDDER			
POSTAL ADDRESS			
STREET ADDRESS			
TELEPHONE NUMBER	CODE	NUMBER	
CELLPHONE NUMBER			
FACSIMILE NUMBER	CODE	NUMBER	
E-MAIL ADDRESS			
VAT REGISTRATION NUMBER			
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
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]			
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<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]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS			
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
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.			



PART B TERMS AND CONDITIONS FOR BIDDING

- 1. BID SUBMISSION:**
- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
 - 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
 - 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. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

- 2. TAX COMPLIANCE REQUIREMENTS**
- 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 WWW.SARS.GOV.ZA.
 - 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 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:

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO.:
CLOSING TIME 11:00	CLOSING DATE.....

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
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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 fund contributions and skills development levies.



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 –

Name :.....

Address :.....

Tel :.....

Or for technical information –

Name :.....

Address :.....

Tel :.....

DECLARATION OF INTEREST

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

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

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

2.1 Full Name of bidder or his or her representative:

2.2 Identity Number:.....

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

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

2.5 Tax Reference Number:

2.6 VAT Registration Number:

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

¹"State" means –

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

²"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 **YES / NO**
presently employed by the state?

2.7.1 If so, furnish the following particulars:

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

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

Position occupied in the state institution:

Any other particulars:
.....

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

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

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

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

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

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

2.8.1 If so, furnish particulars:

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

2.9 Do you, or any person connected with the bidder, have 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**

2.9.1 If so, furnish particulars.

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

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

2.10.1. If so, furnish particulars.

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

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

2.11.1 If so, furnish particulars:

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

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

1.3 Preference points for this bid shall be awarded for:

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

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

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

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

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

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

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

3. POINTS AWARDED FOR PRICE

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

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

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

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

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

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

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

5. BID DECLARATION

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

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

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

7. SUB-CONTRACTING

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

(Tick applicable box)

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

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

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

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

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

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

8.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES
1.
2.

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

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.**

Question		Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	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:		

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

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ 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).² 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:

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

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

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 consortium³ will not be construed as collusive bidding.
- 7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
- 8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder



TERMS OF REFERENCE

FOR THE

APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT THE MINERALS BENEFICIATION AND VALUE CHAIN DEVELOPMENT STUDY

REQUEST FOR PROPOSAL (RFP) :

CLOSING DATE : 24 JULY 2020

CLOSING TIME : 11H00

1. INTRODUCTION

Musina-Makhado Special Economic Zone State Owned Company (MM SEZ SOC) seeks to appoint a service provider to submit proposal which is aimed at, identifying and quantifying the size of the remaining mineral resource in the Limpopo Province and their potential to attract investment and accelerate growth of the province's economy, and can be processed for downstream beneficiation in one or both the North (Antonvilla), and in the South (Mopani) SEZ sites

2. BACKGROUND

The Musina Makhado Special Economic Zone State Owned Company (MM SEZ SOC) was established as a public entity in terms of the SEZ Act no. 16 of 2014, to develop, manage and operate the SEZ. The entity is a wholly owned subsidiary of the Limpopo Economic Development Agency (LEDA). The roll out of the Musina Makhado Special Economic Zone is in line with the National Development Plan and Limpopo Development Plan's goals to grow the economy and create jobs.

The MMSEZ is made up of two sites and hosted by two municipalities namely, Musina and Makhado located in the Vhembe district of the Limpopo Province. The first site is referred to as North Site (Antonvilla) approximately 3500 HA and it is situated between the Musina town and Limpopo river. This site is earmarked for the development of light and medium manufacturing industries, which includes logistics and agro-processing. The second site is commonly referred to as South Site (Mopani) approximately 8000 HA, and it is situated next to the Mopani railway station on the west side of the Baobab Toll Gate, at the border of both Musina and Makhado Municipalities. This site is earmarked for the development of the energy and metallurgical cluster and other associated heavy industries. Among the targeted industrial projects are: Coal Power Plant; Coke Plant; Ferrochromium Plant; Ferromanganese Plant; Pig Iron Plant; Carbon Steel Plant; Stainless Steel Plant; Lime Plant; Silicon-Manganese Plant; Metal Silicon Plant; and Calcium Carbide Plant.

3. PROBLEM STATEMENT

The mining sector is a major contributor to the Limpopo's provincial economy. The province's mineral deposits include PGMs, iron ore, chromium, coking coal, diamonds, antimony, phosphate, and copper. Other industrial minerals such as black granite, corundum, and feldspar are also found. The Waterberg Coalfields in the province is estimated to contain 40% of South Africa's remaining coal reserves.

In 2016 the mining sector accounted for approximately 28% of the provincial economy while manufacturing at 3% and agriculture at 2% respectively. Regardless of the importance of primary industries in the mineral sector in the province, the high capital- and skill-intensity of such activities

have not translated into noteworthy employment opportunities and downstream associated developments.

Correspondingly a key development goal of the Limpopo Provincial Government, is to increase the contribution of the manufacturing sector as well as tertiary industries over the short, medium and long-term to the provincial wealth through efficient management and leveraging of opportunities arising from primary activities, particularly the mining sector.

Identification of beneficiation opportunities in the mineral sector can leverage the much needed increase in the manufacturing sector.

4. OBJECTIVES OF THE STUDY

The main objective of the study is to identify and quantify mineral resources in the province of Limpopo.

SCOPE

This project will have three deliverables. The first deliverable will focus on identifying and quantifying (and ownership) all the mineral resources in the Limpopo Province. The second deliverable will focus on the formulation of a Mineral Development/Beneficiation Strategy for the province. The third deliverable will focus on the development of high level business cases to appraise the options available for the Limpopo Province in beneficiating its top strategic minerals.

The three deliverables are outlined in detail below.

Deliverable 1: Mineral Scan

- Identification and evaluation of all mineral occurrences and current mining operations within the Limpopo province, including:
- Description of the local (municipality level) and provincial geology highlighting all mineral occurrences in Limpopo province.
- Mapping of current mining right holders in key mining districts in the province
- Mapping of current mining operations (large and small scale) in the province
- Mineral resource base, current production rates and life of mine assessment
- Historical investment trends (2013-2020)
- Planned investments (2020 and beyond)
- Estimate of the remaining mineral resource base (may interview mining companies, geological data returns from DMR and the Council for Geoscience, etc).
- Infrastructure and utility requirements (rail, road etc.) for the optimal utilization of pre-identified commodities.

Deliverable 2: Mineral Development/Beneficiation Strategy

- Identification of commodity specific development strategies taking into account the world supply and demand trends, high level market opportunities, mine specific conditions and prevailing socio-economic challenges and requirements.
- Consultations with leading mining industry stakeholders (mining companies, small scale miners, local communities and suppliers of mining consumables) to understand the challenges and interventions that are required to unlock further development of the sector.
- Conduct value chain analysis to identify opportunities and binding constraints of each mineral sub-sector and proposed interventions **(Refer to IPAP and other Mineral Beneficiation policy documents/strategies)**.
- Identifying small, medium and large-scale investment opportunities per minerals sub-sector;
- Identifying initiatives and programmes undertaken by other role players to promote mineral-related growth and development in the province, including small-scale miners;
- Identifying key strategic interventions (financial, regulatory, etc.) needed by the Provincial Government and Department of Mineral Resources to promote growth and investment in the mineral sector; and
- Identifying the resource requirements and possible sources of these resources as well as agents/stakeholders required to implement the Strategy over the short, medium, and long-term.

Deliverable 3: Business Cases development for the minerals beneficiation opportunities.

- Identify and develop high level business cases for minerals beneficiation, using the value chain analysis approach.
- Infrastructure, technology, skills and utility requirements (rail, road etc.) to support minerals beneficiation business in the province.
- Develop high level financial models to evaluate the business cases of the beneficiation alternatives for the top 4 strategic commodities in the Limpopo province.
- Discuss the opportunities and challenges for value addition in those sectors in the province.

5. FORMAT FOR PROPOSALS

The quotation should be submitted in a form of a proposal and should include the following: -

- Proposed methodology;
- A Process plan/Activity plan with timeframes

- Company profile including inter alia similar assignments
- Key staff members with their level of qualifications, skills and relevant experience; and
- Detailed CVs of the proposed consultant's team members.

6. EXPECTED DELIVERABLES

The final date for the deliverables of this service must not be later than **Six (6) months** from the date of inception.

The successful bidder is expected to deliver the following:

- Project Inception Plan
- Mineral Scan and Status quo report
- Mineral Development/Beneficiation
- Business Cases development for the minerals beneficiation opportunities.
- Final Report

Note: Report to be submitted with all the relevant drawings, layout maps, pictures, etc. 5 (five) printed copies and 3 (three) electronic copy on 3 (three) USB, and 3 (three) CD's

7. PAYMENT SCHEDULE and COST ESTIMATE

ACTIVITY	PAYMENT %
Project Inception Plan	10%
Mineral Scan and Status quo report	20%
Mineral Development/Beneficiation	20%
Business Cases development for the minerals beneficiation opportunities	30%
Final Report	20%
TOTAL	100%

The proposal cost estimate in no order of priority should indicate clearly (in Rand value) the following:

- Professional Services' work and specific cost estimate with applicable personnel rates;
- Travelling cost estimates; and
- Disbursement costs
- All cost estimates to be Vat inclusive
- Cost for every action and Phase to be separately stated

- f) Allow for 3 (three) progress presentations to MMSEZ and its stakeholders in Polokwane.

8. DURATION OF ASSIGNMENT

This study is estimated to take 6 months to complete given the wide commodity scope and geography of Limpopo Province.

9. EVALUATION OF BIDS

Bids proposal will be evaluated in accordance with the 80/20 preference point system as contemplated in the Preferential Procurement Regulation of 2017, and all bid offers received shall be evaluated based on the following criteria.

Functionality : 100

Price : 80

BBBEE : 20

Evaluation stage one: Functionality criteria

The following criteria will be used for evaluating all bids/ proposals for functionality and bidders are expected to obtain a minimum of **75** out of 100 points to proceed/qualify for further evaluation. Failure to obtain prescribed 75 points will automatically disqualify the bidder from proceeding to the next evaluation stage. Below is a table (6.2a) that shows how the 100 points of functionality will be allocated.

Functionality criteria

The Functionality points will be allocated as follows:

CRITERIA	MEANS OF VERIFICATION	POINTS	MAXIMUM POINTS TO BE AWARDED
Capability (Qualifications and competency)			
Company with Minimum of Ten (10) years' experience in executing similar assignments;	Experience should be backed by a minimum of 3 references of similar projects issued by credible and traceable clients and Company Profile.	20 points	

Key Personnel: Degree in Economics, Engineering, Geology, or related studies.	(Attach copies of CV, and Qualifications)	20 points	
Key Personnel with Master's Degree (Project Leader)	(Attach copies of CV, and Qualification)	5 points	
Three of its key personnel have worked in techno-economics mineral assessment, feasibility studies, business case development and beneficiation projects.	(Attach copies of CV, and Projects Concluded).	25 points	
Methodology and Approach to Executing the Project (Including Understanding of Assignment, Approach, Methodology, Delivery Plan)	Attach Proposal	30 points	
Total		100 Points	

NB: Bidders who do not achieve a minimum score of **75 points** out of the possible **100 points** for functionality will not be considered further in the evaluation process.

Evaluation stage two: Price

Bids will be evaluated applying the 80/20 preference points system in accordance with the PPPFA Regulations of 2017, where points are awarded to bidders on the basis of Price (80) and B-BBEE (20), using the following formula to calculate points for price:

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

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

Evaluation Stage three: BBEE

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

B-BBEE Status Level of Contributor	Number of points (80/20 system)
------------------------------------	---------------------------------

1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

NB: In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points for BBBEE.

10. BID/PROPOSAL SUBMISSION

The format of the bid proposals to be submitted shall comprise cover letter and the following documents:

- 1 Returnable bid document with all the required documents fully completed and signed;
- 2 Original and Valid Tax Clearance Certificate;
- 3 Detailed cost breakdown schedule;
- 4 Reference letters with contact details on a company letter head and/or stamped;
- 5 Entity/ Company registration documents;
- 6 Entity/ company profile (Company profile) that illustrates the core business, services offered, company profile and staff compliment;
- 7 Comprehensive methodology and Implementation plan;
- 8 Summary of verifiable previous projects with contact details of the project owners;
- 9 Certified copy of ID documents of all owners/directors of the Entity (certification should not be more than 3 months old);
- 10 Register with project relevant recognized South African Government Professional Organization (Please attach copy of paid up to date membership);

11. SPECIAL CONDITIONS

Musina Makhado SEZ reserves the right to appoint the bidder that proves to be fully capable and qualified to handle and execute the job.

- a. Bids submitted must be in line with the detailed specification. Failure to bid accordingly will automatically disqualify the submitted bid.
- b. Musina Makhado SEZ reserves the right to cancel or withdraw this bid if:
 - i. Due to changed circumstances, there is no longer a need for this services; or
 - ii. Funds are no longer available to cover the total envisaged expenditure; or
 - iii. No acceptable bids are received; or
- iv. There is a material irregularity in the tender process.
- c. In the case of sub-contracting or joint venture agreement, Musina Makhado SEZ will enter into a single contract with the principal bidder.
- d. Musina Makhado SEZ reserves the right to call interviews with short-listed bidders before final selection.
- e. Musina Makhado SEZ reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include surprise site visits.
- f. Bidders who are not registered on Central Supplier Database (CSD) must register before submission of bids.
- g. Any completion of the bid document in pencil or erasable ink will not be acceptable and will automatically disqualify the submitted bid.
- h. Successful bidder will be required to sign a Service Level Agreement (SLA).
- i. Notwithstanding shortcomings and/or inconsistencies, if any, in this specification, which is only a minimum specification, a bidder shall make provision for a complete solution that will deliver the required service efficiently and cost-effectively.
- j. Bid documents should be delivered to the tender box at Enterprise Development House, Main Road, Lebowakgomo or posted to PO BOX 760, Lebowakgomo 0737 on or before 04 August 2020 at 11h00 which is the closing date for this bid.
- k. Bids received after the closing date and time will not be accepted for consideration and where practicable, be returned unopened to the bidder
- l. This request for bid document contains confidential information about Musina Makhado SEZ, which has been provided to supply potential bidders with the data necessary to provide a holistic response.
- m. No part of the contents may be used, copied, disclosed or conveyed in whole or in part to any party, in any manner whatsoever without the prior written permission of Musina Makhado SEZ.
- n. Any reproduction or transmission of information contained in this document except for the sole purpose of responding to this bid is strictly prohibited.

- o. References to Musina Makhado SEZ must not be made in any literature, promotional material, and brochures or sales presentations without the express written consent of Musina Makhado SEZ.
- p. The Musina Makhado SEZ is not obliged to accept the lowest or only proposal
- q. The Musina Makhado SEZ SOC reserves the right to request from the successful services provider to adjust the final deliverables to suite the budget availability if necessary.
- r. All submitted electronic information that is corrupt or that cannot be opened by MMSEZ, only the readable information will be used by the MMSEZ

CLARIFICATION / QUERIES

The process of clarification required by a bidder regarding the meaning or interpretation of the specification or any other aspects concerning the bid will be done in writing (letter, or e-mail)

Telephonic requests for clarification will be considered: Richard Zitha (071 391 8188)/ 015 295 5120.

The cut-off date for queries is 17 July 2020 at 16:00 pm.

The bid reference number should be quoted in all correspondence.

Technical queries should be directed to Mr. Richard Zitha at Richard.Zitha@lieda.co.za and copy Tshegofatso.Ledwaba@lieda.co.za

Queries received will be responded to within three working days of receiving them.