UMHL20/2026/2027

SUPPLY AND DELIVERY OF CLEANING MATERIALS

BIDDER:

CSD REGISTRATION:

CLOSING DATE: 11 DECEMBER 2026

CLOSING TIME: 12h00

ENQUIRIES:

SUPPLY CHAIN MANAGEMENT
UMHLABUYALINGANA LOCAL MUNICIPALITY
PRIVATE BAG X 901
KWANGWANASE

SCM SPECIFIC ENQUIRIES
Enquiries: Mr N.M. Mthembu
Email Address: BafanaM@mhlabuyalingana.gov.za
Tel No: 035-592 0680

TECHNICAL /PROJECT SPECIFIC ENQUIRIES
Enquiries: Mr CR Khumalo
Email Address: CelumusaK@mhlabuyalingana.gov.za
Tel. No.: 035-592 0680

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE UMHLABUYALINGANA LOCAL MUNICIPALITY					
BID NUMBER:	**UMHL20/2026/2027**	CLOSING DATE:	**11 DECEMBER 2026**	CLOSING TIME:	**12h00**
DESCRIPTION	**SUPPLY AND DELIVERY OF CLEANING MATERIALS**				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT R22 MANGUZI MAIN ROAD					
R22 MANGUZI MAIN ROAD, KWANGWANASE, 3973					

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	Mr N.M. Mthembu	CONTACT PERSON	Mr C.R. Khumalo
TELEPHONE NUMBER	035-592 0680	TELEPHONE NUMBER	035-592 0680
FACSIMILE NUMBER	035-592 0672	FACSIMILE NUMBER	035-592 0672
E-MAIL ADDRESS	bafanam@mhlabuyalingana.gov.za	E-MAIL ADDRESS	CelumusaK@mhlabuyalingana.gov.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] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] ☐ Yes ☐ 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?	☐Yes ☐No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR **THE GOODS /SERVICES /WORKS OFFERED?**	☐Yes ☐No [IF YES, ANSWER PART B:3]

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	☐ YES ☐ NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	☐ YES ☐ 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 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 (MBD7).**
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 WHO ARE PERSONS IN THE SERVICE OF THE STATE."

TOTAL FOR BID PRICE

……

…… …..... Rand (in words)

R ….……..……..……..…… (in figures)

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

SIGNATURE OF BIDDER: ……

CAPACITY IN WHICH THIS BID IS SIGNED: ……
(Proof of authority must be submitted e.g. company resolution)

DATE: ……...

UMHLABUYALINGANA LOCAL MUNICIPALITY
TENDER NOTICE: UMHL20/2026/2027

Umhlabuyalingana Local Municipality hereby invites suitably qualified and experienced service providers to submit bids for the following:

TENDER NUMBER: UMHL20/2026/2027

TENDER DESCRIPTION: Cleaning Materials for the Whole Municipality
The purpose of this tender is to appoint a service provider to supply and deliver cleaning materials and hygiene products for all sites of UMhlabuyalingana Local Municipality. The contract is for a period of 12 months, with deliveries as and when required on a quarterly basis in accordance with the specifications provided in the tender document.

MINIMUM REQUIREMENTS:

- Company Registration Certificate
- Proof of Municipal Rates Clearance
- Service Provider must be qualified and experienced
- MBD 1, MBD 4, MBD 6.1, MBD 8, and MBD 9
- Valid SARS Tax Compliance Status
- Certified Copies of Directors Identity Documents
- Full CSD Registration Report

TENDER DOCUMENTS:
An electronic copy of the tender document will be available on E-Tender portal www.etender.gov.za or the municipal website www.umhlabuyalingana.gov.za

Tender closing date is 11 December 2026 at 12h00.
Tenders will be evaluated on functionality where bidders will be required to score 60% to proceed to pricing. Bids must be placed in the tender box at the municipal offices before the closing date and time. Late, faxed, or emailed submissions will not be accepted.

ENQUIRIES:
Corporates: Mr CR Khumalo Email: CelumusaK@mhlabuyalingana.gov.za
SCM: Mr NM Mthembu Email: BafanaM@mhlabuyalingana.gov.za
CelumusaK@mhlabuyalingana.gov.zaBafanaM@mhlabuyalingana.gov.za

Umhlabuyalingana Municipality does not bind itself to accept the lowest or any bid and reserves the right to accept the whole or part of any bid.

Mr N.P.E Myeni
Municipal Manager
Umhlabuyalingana Local Municipality

This tender will be evaluated in three (3) stages:

Stage 1: Administrative compliance and responsiveness
Stage 2: Functionality (minimum 30 out of 50 points)
Stage 3: Price and specific goals (80/20)

PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT (PPPFA) POINTS WILL BE AWARDED AS FOLLOWS:

Maximum points on price	-	**80 points**
Maximum points for Specified Goals (Preference points)	-	**20 points**
TOTAL	-	**100 points**

1. **BIDDERS SHALL TAKE NOTE OF THE FOLLOWING BID CONDITIONS**:

   The minimum specifications, bid evaluation criteria, bid rules and special conditions of tender are detailed in the bid document.

2. **ENQUIRIES WITH REGARD TO THIS ADVERT MAY BE DIRECTED to**

SCM SPECIFIC ENQUIRIES	**TECHNICAL /PROJECT SPECIFIC ENQUIRIES**
Enquiries: Mr N.M. Mthembu	Enquiries:Mr C.R. Khumalo
Email Address: BafanaM@mhlabuyalingana.gov.za	Email Address: CelumusaK@mhlabuyalingana.gov.za
Tel No: 035-592 0680	Tel. No.: 035-592 0680

SPECIAL CONDITIONS OF BID

1. INTERPRETATION

The word "Bidder" in these conditions shall mean and include any firm of Contractors or any company or body incorporated or unincorporated.

The word "Municipality" in these conditions shall mean the Umhlabuyalingana Local Municipality. For the purpose of this document, the word "bid" is used interchangeably with the word "tender" or "purchaser".

3. **EXTENT OF BID**

The purpose of this tender is to appoint a suitably qualified and experienced service provider for the supply and delivery of cleaning materials, hygiene products and equipment to all municipal sites for a period of 12 months.

3. CONTRACT TO BE BINDING

The formal acceptance of this Bid by the Municipality constitutes a contract binding on both parties, and the Municipality may require sureties to its satisfaction from the contractor, for the due fulfilment of this contract.

4. MODE OF BID

All Bids shall be completed and signed: All forms, annexures, addendums and specifications shall be signed and returned with the Bid document as a whole. ***The lowest or any bid will not necessarily be accepted.***

The Municipality wishes to deal on a prime contractual basis with the successful Bidder being responsible and accountable for all aspects of the entire solution or service offered.

5. QUALITY

Should the specifications and / or descriptions not address any aspects of quality as specified, this should be clarified with the Municipality prior to the submission of a Bid.

6. INSURANCE CLAIMS, ETC.

The Municipality shall not be liable in any manner in respect of any claims, damages, accidents and injuries to persons, property or rights or any other causes of civil or criminal action that may arise from the carrying out of this contract.

The contractor shall insure his / her / their personnel and any plant, machinery or other mechanical or electronic equipment involved in the fulfilment of this contract and shall indemnify The Municipality against all risks or claims which may arise.

7. PERIOD OF VALIDITY FOR BIDS AND WITHDRAWAL OF BID AFTER CLOSING DATE

All Bids must remain valid for a period of **90 days** from the closing date as stipulated in the bid document.

8. PENALTY PROVISION

8.1 Should the successful Bidder:

[a] Withdraw the Bid during the afore-mentioned period of validity; or
[b] Advise the Municipality of his / her / their inability to fulfil the contract; or
[c] Fail or refuse to fulfil the contract; or
[d] Fail or refuse to sign the agreement or provide any surety if required to do so;

Then, the Bidder will be held responsible for and is obligated to pay to the Municipality:

[a] All expenses incurred by the Municipality to advertise for or invite and deliberate upon new Bids, should this be necessary.

[b] The difference between the original accepted Bid price (inclusive of escalation) and:

[i] A less favourable (for the Municipality) Bid price (inclusive of escalation) accepted as an alternative by the Municipality from the Bids originally submitted; or
[ii] A new Bid price (inclusive of escalation).

8.2 Should the successful bidder fail to deliver, provisions of the General Conditions of Contract will apply.

83 Disputes between the Municipality and a bidder (if any) will be dealt with in the form of litigation.

9. BRAND NAMES

Wherever a brand name is specified in this BID document (i.e. in the specifications, pricing schedule or bill of quantities or anywhere in this document), the municipality's requirement is not limited to the specified brand name, but requires an item similar/equivalent or better than specified.

10. VALUE ADDED TAX

In calculating the cost of the supply and delivery of services and / or material, the supplier will issue a "Tax Invoice" for all services rendered and / or materials supplied, which will reflect the exclusive cost of such services, goods or materials with the relevant Value Added Tax being added to the total.

11. PRICE ESCALATION

No escalation of prices will be considered.

12. AUTHORITY TO SIGN BID DOCUMENTS

1. In the event that a resolution to sign is not completed by all directors (in terms of the Companies Act 2008) /partners/members (in terms of Close Corporation Act 1984) of the enterprise, the signature of any one of the directors /partners/members to this bid/quotation will bind all the directors /partners/members of the enterprise and will therefore render the bid valid.
2. In the event that a a non-director, non-partner or non-member of the enterprise signs this declaration, and no authority is granted, it will automatically invalidate the bid.
3. In the case of a joint venture or consortium, at least one director /partner/member of each of the parties needs to sign the joint venture or consortium agreement.
4. Furthermore, in the case of a joint venture or consortium at least one director /partner/member of each party to the joint venture or consortium must give consent to give authorisation for signatory to this bid

13. DELIVERY PERIODS

Delivery periods, where indicated, must be adhered to. Notwithstanding the termination date of the assignment the bidder will be required to submit progress reports to the Municipality under the contract, the form and frequency and dates thereof to be stipulated and agreed upon by the parties upon the awarding of the Bid.

14. DISPUTES

In the event that disputes cannot be resolved by internal systems, the disputes will be settled by litigation.

15. CLOSING DATE / SUBMITTING OF BIDS

15.1 Bids must be submitted in sealed envelopes clearly marked: **UMHL20/2026/2027 – SUPPLY AND DELIVERY OF CLEANING MATERIALS**

Completed bid documents in a sealed envelope endorsed with the relevant bid number, bid description and the closing date, must be deposited in the bid box, Foyer, UMhlabuyalingana Local Municipality, KwaNgwanase, 3973, Manguzi, not later than **12h00** on **11 DECEMBER 2026** when bids will be opened in public.

Bidders must ensure that bids submitted via courier services are deposited by the courier service in the Municipality's bid box prior to the closing date and are not delivered to Municipal officials. The Municipality will not accept responsibility if bids received by officials are not deposited on time in the Bid Box.

PROPOSAL FOR THE PROCUREMENT OF CLEANING MATERIALS, HYGIENE PRODUCTS AND EQUIPMENT

1. Project overview

The purpose of this procurement is to appoint a suitably qualified and experienced service provider for the supply and delivery of cleaning materials, hygiene products, cleaning equipment and gardening tools to all sites of uMhlabuyalingana Local Municipality.

2. Problem statement

The Municipality is experiencing a shortage of cleaning materials and hygiene products, which negatively affects the cleanliness and maintenance of municipal facilities.
The shortage of these materials results in:

- Increased health and safety risks to employees and members of the public.
- Poor and unhygienic working environments.
- Inadequate maintenance of municipal offices and facilities.
- Unavailability of essential hygiene consumables in municipal ablution facilities.
- Negative public perception and reputational damage to the Municipality.

The procurement of these materials is therefore necessary to ensure a clean, safe, healthy and conducive working environment.

3. Scope of work

The appointed service provider shall be responsible for the supply and delivery of the following:

- Cleaning chemicals and detergents.
- Disinfectants, cleaning sprays and air fresheners.
- Hygiene products and consumables.
- Cleaning tools and equipment.
- Gardening and grounds maintenance equipment.
- Personal protective equipment for cleaning and grounds maintenance personnel.

All products must be delivered in accordance with the approved specifications, quantities and delivery instructions issued by the Municipality.

4. Materials and equipment specifications

All materials and equipment supplied must comply with applicable South African National Standards (SANS), where applicable, and relevant health and safety requirements.
Any reference to a specific brand is intended solely to establish the required standard of quality and performance. Equivalent products meeting or exceeding the specified requirements shall be accepted.

Annexure A: Pricing schedule and technical specifications

No.	Description and specification	Quantity
1	Furniture cleaner, equivalent to Mr Min, 750 ml × 6	30 packs
2	Surface cleaner, equivalent to Handy Andy, 750 ml x 6	30 boxes
3	Toilet cleaner, equivalent to Domestos, 750 ml × 20	30 boxes
4	Dishwashing liquid, equivalent to Sunlight Liquid, 750 ml x 6	30 boxes
5	Toilet freshener, equivalent to Toilet Duck, 500 ml × 6	30 packs
6	Floor tile cleaner, equivalent to Mr Muscle, 750 ml × 6	30 packs
7	Pine gel floor cleaner, 5 litres	30 buckets
8	Air freshener, equivalent to Airoma, 210 ml × 6	30 packs
9	Air freshener, equivalent to Deablock, 5 litres	30 buckets
10	Extra-strong mop with wooden handle	30 units
11	Cleaning swabs, small and large	30
12	Toilet cleaning brush	30 units
13	Insect killer, equivalent to Dyroach, 275 ml x 6	30 packs
14	Hand paper towel rolls, equivalent to Kimdry	30
15	Large soft broom	30 units

16	Plastic dustpan with long handle	30 units
17	Liquid handwashing soap, 5 litres	30 units
18	Latex gloves, medium and large	30 pairs
19	Double-compartment wheeled cleaning bucket, 20 litres	12 units
20	Protective apron for brush cutter operators	2 units
21	Black and white refuse bags (100 per bag)	50 bags
22	Heavy-duty outdoor yard broom	10 units
23	Industrial vacuum cleaner (Hoover or equivalent), 28 litres	4 units
24	Heavy-duty electrical extension cord, 20 metres	2 units
25	Heavy-duty digging spade	6 units
26	Heavy-duty hedge shears	6 units
27	Bush knife	6 units
28	Garden fork	6 units
29	Plastic garden rake with wooden handle	30 units
30	Brush cutter trimmer head, compatible with models (280 x 15) and (450 x 15)	30
31	Nylon brush cutter line, 3.5 mm	200
32	Two-stroke engine oil, 5 litres	15 units
33	Brush cutter safety helmet with face shield and ear protection	6 units
34	Two-ply toilet paper, equivalent to Twinsaver, 48 rolls per pack	200 packs
35	Yellow A-frame safety sign displaying “Caution: Grass Cutting in Progress”	10

5. General conditions of supply and delivery

5.1. All products and equipment supplied must be new, unused and of acceptable commercial quality.
5.2. Cleaning chemicals must be supplied in their original, properly sealed and labelled containers.
5.3. Safety Data Sheets (SDS) must be provided for applicable chemical products.
5.4. All electrical equipment must comply with applicable electrical safety standards.
5.5. The appointed service provider shall replace defective, damaged or non-compliant products at no additional cost to the Municipality.
5.6. All prices must include packaging, transportation, delivery and VAT, where applicable.
5.7. The appointed service provider must provide applicable manufacturers’ warranties for equipment supplied.
5.8. The Municipality reserves the right to inspect all goods upon delivery to verify compliance with the approved specifications.
5.9. The appointed service provider shall deliver as and when required by the Municipality on a quarterly basis for a period not exceeding 12 months.

6. Mandatory returnable documents

Bidders must submit the following documents for administrative compliance and responsiveness assessment:

No.	Mandatory requirement	Description/compliance requirements
1	Certificate of Authority to Sign	Duly completed and signed resolution or authority authorising the signatory to act on behalf of the bidding entity, where applicable.
2	Company Registration Certificate	Certified copy of the company registration documents issued by CIPC, where applicable.
3	SARS Tax Compliance Status	Valid SARS Tax Compliance Status PIN to enable the Municipality to verify the bidder's tax compliance status.
4	Municipal Bidding Documents (MBDs)	Fully completed and signed MBD 1, MBD 4, MBD 6.1, MBD 8 and MBD 9, as applicable.
5	Proof of Municipal Rates Clearance	- Municipal rates account showing no arrears older than three months; or - a valid municipal exemption letter; or, - where the bidder is a tenant,

		• a valid signed lease agreement accompanied by the director's recent municipal account showing no arrears older than three months.
6	Directors' Identity Documents	Certified copies of identity documents of all directors or members listed on the company registration documents. Certification must not be older than three months.
7	Central Supplier Database (CSD)	Proof of active registration on the Central Supplier Database, including verified banking details.

7. Evaluation methodology

Bids will be evaluated in accordance with the Municipality's approved Supply Chain Management Policy, applicable procurement legislation and the following evaluation stages:

Stage 1: Administrative compliance and elimination criteria

Bidders will be assessed against the following requirements:

- Company registration documents, where applicable.
- Certified copies of directors' or members' identity documents.
- SARS Tax Compliance Status.
- Proof of municipal rates clearance.
- Central Supplier Database registration.
- Completion and signing of applicable Municipal Bidding Documents.
- Authority to sign, where applicable.

Bidders who fail to comply with material mandatory requirements shall be disqualified, subject to applicable legislation, permissible verification and clarification processes.

Only responsive bidders shall proceed to Stage 2.

Stage 2: Functionality evaluation

Evaluation criteria	**Description**	**Points**	**Verification method**
Company experience	Two or more successfully completed similar projects within the past two years	35	Reference letters or completion certificates
	Two or more successfully completed similar projects within the past four years	20	Reference letters or completion certificates
	At least one successfully completed similar project within the past five years	10	Reference letter or completion certificate
	No qualifying experience or supporting documentation	0	N/A
Service and replacement plan for vacuum cleaners	Submission of an acceptable service, warranty and replacement plan	15	Service and replacement plan
	No submission or unacceptable plan	0	N/A
Total functionality points		**50**	
Minimum qualifying points (60%)		**30**	

For the purposes of this evaluation, similar projects shall mean the successful supply and delivery of cleaning materials, hygiene products or cleaning equipment.

Points for company experience shall not be cumulative. Bidders shall be awarded points under the highest applicable category only.

The service and replacement plan must clearly indicate warranty periods, procedures for reporting equipment faults, turnaround times for repairs and arrangements for replacing defective equipment.

Bidders must obtain a minimum of **30 out of 50 points (60%)** for functionality to qualify for further evaluation.

Stage 3: Price and specific goals
Responsive bidders who meet the minimum functionality threshold shall be evaluated using the applicable preferential procurement point system.
Subject to the applicable procurement legislation and the estimated value of the procurement, the 80/20 preference point system shall apply as follows:

Evaluation criteria	**Maximum points**
Price	80
Specific goals	20
Total	**100**

Allocation of points for specific goals

Specific goal	**Maximum points**
Business located within uMhlabuyalingana Local Municipality	5
Ownership by persons with disabilities	5
Black women ownership	5
Black youth ownership	5
Total	**20**

Bidders must submit supporting documentation as prescribed in MBD 6.1 and the Municipality's approved Preferential Procurement Policy to substantiate their claims for specific goals.

Failure to provide the required supporting documentation for specific goals shall result in zero points being awarded for the relevant goal, rather than automatic disqualification.

THE EVALUATION CRITERIA

This tender will be evaluated in three (3) stages as follows:

Stage 1: Administrative compliance and responsiveness
Stage 2: Functionality (minimum 30 out of 50 points)
Stage 3: Price and specific goals (80/20)

1. EVALUATION CRITERIA

STAGE 1 – COMPLIANCE, RESPONSIVENESS AND CONDITIONS

The purpose of this pre-qualification evaluation is to determine which bid responses are compliant and non-compliant with the bid specifications issued by the municipality as part of the bid process

A. Bidders' proposals must meet the following minimum requirements and the required supporting documents must be submitted with the completed quotation document in a sealed envelope in the bid box at the closing date and time. Failure to comply will automatically eliminate the bid for further consideration:

1. Bids must be submitted on the original documents and bids which are late, incomplete, unsigned or submitted by facsimile or electronically, will not be accepted.
2. The following Declarations must be completed and signed: (**MBD4, MBD6.1, MBD 8 and MBD 9).**
3. Bidders' proposals that do not meet the specifications will be eliminated.
4. If the offer is "Vat Inclusive", the VAT registration number of service provider must be indicated.
5. Only one offer per item per bidder is allowed and alternative offers will not be considered. If more than one offer per item is received, none of the offers will be considered. Bidders are also not allowed to submit a bid/ quotation whilst they are in agreements with other bidders in the form of joint ventures or consortiums.

B. Other Conditions of bid

1. The bidder must be registered on Central Supplier Database (CSD) prior to award
2. All bidders' tax matters must be in order prior to award. Bidders' tax matters will be verified through CSD.
3. The form **MBD 1** must be properly completed and signed.
4. For bidders to qualify for points for specific goals,the bidders are required to submit with the quotation:
   a) Complete the Preference Points Claim Form in full, sign the declaration and date it;
   b) Attach an MAAA number for purposes of verifying Claimed points in the preference schedule.
   c) Failure to submit any of the above (a or b) will result in zero points scored for Specified Goals.
5. The Preference Points Claim Form must be properly completed. Failure to do so, will result in the non-awarding of points.
6. The Municipality will contract with the successful bidder with an official order.

2. STAGE 2 – FUNCTIONALITY EVALUATION

Bidders must score at least 30 out of 50 points (60%) in accordance with the functionality criteria in section 7 before proceeding to Stage 3.

STAGE 3 – PRICE AND SPECIFIC GOALS

THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT WILL BE APPLIED AND 80/20 POINTS SYSTEM WILL BE APPLICABLE

POINTS FOR PRICE	**80 POINTS**
MAXIMUM POINTS FOR SPECIFIED GOALS	**20 POINTS***
TOTAL POINTS	**100 POINTS**

*** NOTE:**

Objective criteria	Number of points (80/20 system)
Locality (Within uMhlabuyalingana)	5
Director/owner with a disability	5
Black women directors/owners	5
Black youth directors/owners	5
Non-compliant contributor	0

The tenderer must submit a CSD full report, CIPC documents indicating share ownership or directorship of the company or a comprehensive CSD report which must indicate the names of the owners, their gender, race, age, whether there is a person living with disability or not and the address of a company (first address on CSD), to claim the preferential procurement points.

3. CANCELLATION AND RE-INVITATION OF TENDERS

The municipality may, prior to the award of the tender, cancel the tender if-

due to changed circumstances, there is no longer a need for the services, works or goods requested; or

(a) funds are no longer available to cover the total envisaged expenditure; or

(b) no acceptable tenders are received; or

(c) The tender validity period has expired; or

(d) Gross irregularities are identified in the tender processes and/or tender documents; or

(e) No market-related offer is received (after attempts of negotiation processes)

Where applicable, the decision to cancel the tender will be published on the municipal website and in the Tender Bulletin or the media in which the original tender invitation was advertised.

LIST OF RETURNABLE DOCUMENTS

A Returnable Schedules required for tender evaluation purposes

The tenderer must complete the following returnable schedules as relevant:

1. MBD 1 – Invitation to Bid
2. Record of Addenda to Tender Documents

3. Proposed Amendments and Qualifications
4. MBD 4 - Declaration of Interest
5. MBD 6.1 - Preference Points claim form
6. MBD 8 – Declaration of Bidder's Past SCM Practices
7. MBD 9 – Certificate of Independent Bid Determination
8. Resolution for Signatory
9. Certificate of Joint Ventures
10. General Conditions of Contract

Record of Addenda to Tender Documents

We confirm that the following communications received from the Employer before the submission of this tender offer, amending the tender documents, have been taken into account in this tender offer:		
	Date	**Title or Details**
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

Attach additional pages if more space is required.

Signed ..... Date .....

Name ..... Position .....

Tenderer .....

2. Proposed amendments and qualifications

The Tenderer should record any deviations or qualifications he may wish to make to the tender documents in this Returnable Schedule. Alternatively, a tenderer may state such deviations and qualifications in a covering letter to his tender and reference such letter in this schedule.

The Tenderer's attention is drawn to clause 5.8 of SANS 10845-3 regarding the employer's handling of material deviations and qualifications.

Page	Clause or item	Proposal

Signed ---------- Date _____

Name ---------- Position _____

Tenderer ----------

MBD 4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state[1].

2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

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

3.1 Full Name of bidder or his or her representative:……..

3.2 Identity Number: …….

3.3 Position occupied in the Company (director, trustee, shareholder[2]):……..

3.4 Company Registration Number: ……

3.5 Tax Reference Number:……

3.6 VAT Registration Number: ……

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

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

3.8.1 If yes, furnish particulars. ….……

……..

[1]MSCM Regulations: "in the service of the state" means to be –

(a) a member of –
  (i) any municipal council;
  (ii) any provincial legislature; or
  (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;
(c) an official of any municipality or municipal entity;
(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
(e) a member of the accounting authority of any national or provincial public entity; or
(f) an employee of Parliament or a provincial legislature.

[2] Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

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

3.9.1 If yes, furnish particulars.……...……..

…….

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

3.10.1 If yes, furnish particulars.

……

……

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

3.11.1 If yes, furnish particulars

……

……

•

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

3.12.1 If yes, furnish particulars.

……

……

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

3.13.1 If yes, furnish particulars.

……

……

3.14 Do you or any of the directors, trustees, managers, principal shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:

……..

……..

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

Full Name	**Identity Number**	**State Employee Number**

…….. ……..

Signature **Date**

…… ……

Capacity **Name of Bidder**

MBD 6.1

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

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1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and

1.2 To be completed by the organ of state

a) The applicable preference point system for this tender is the 80/20 preference point system.

b) The 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

(a) Price; and

(b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	**100**

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

2. DEFINITIONS

(a) **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

(b) **"price"** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

(c) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

(d) **"tender for income-generating contracts"** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

(e) **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEM

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

80/20

$$Ps = 80\left(1 - \frac{Pt - P\,min}{P\,min}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(80/20 preference point system is applicable, corresponding points must also be indicated as such.

***Note to tenderers: The tenderer must indicate how they claim points for each preference point system.*)**

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Evidence Required	Number of points allocated (80/20 system) (To be completed by the Bidder)
Locality (Within uMhlabuyalingana)	5	**Municipal account –** must be in the name of the Enterprise/ Bidder **NB: Municipal account must not be older than 3 months** Physical address on Company Registration document will be considered	
Director/owner with a disability	5	Certificate from Medical practitioner	
Black women directors/owners	5	CSD Full report/ Certified ID Copy	
Black youth directors/owners	5	CSD Full report/ Certified ID Copy	
Non-compliant contributor	0		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.2 Name of company/firm……..

4.3 Company registration number: ……...

4.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole proprietorship
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

4.5 I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualify the company/firm for the preference(s) shown and I 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 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering 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 tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

	…… **SIGNATURE(S) OF TENDERER(S)**
SURNAME AND NAME: **DATE:**	…… ……
ADDRESS:	…… …… …… ……

MBD 8 - DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1 This Municipal 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 as companies or persons prohibited from doing business with the public sector? **(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the *audi alteram partem* rule was applied).**	Yes ☐	No ☐
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)? **To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.**	Yes ☐	No ☐
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 ☐	No ☐
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 ☐	No ☐
4.4.1	If so, furnish particulars:		

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**

MBD 9 - CERTIFICATE OF INDEPENDENT BID DETERMINATION

1 This Municipal Bidding Document (MBD) must form part of all bids[1] 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 MBD 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:

UMHL20/2026/2027 – SUPPLY AND DELIVERY OF CLEANING MATERIALS

in response to the invitation for the bid made by:

UMHLABUYALINGANA LOCAL MUNICIPALITY

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[3] 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

8. PROOF OF REGISTRATION ON THE NATIONAL TREASURY CENTRAL SUPPLIER DATABASE (CSD REPORT)

(ATTACH HERE)

ANNEXURE C

RESOLUTION FOR SIGNATORY

A: CERTIFICATE OF AUTHORITY FOR SIGNATORY

Signatory for companies shall confirm their authority hereto by attaching a duly signed and dated copy of the relevant resolution of the board of directors to this form.

An example is given below:

"By resolution of the board of directors passed at a meeting held on _____

Mr/Ms_____, whose signature appears below, has been duly authorised to sign all documents in connection with the tender for

Contract No. _____

and any Contract which may arise there from on behalf of (Block Capitals) _____

_____

_____

SIGNED ON BEHALF OF THE COMPANY: _____

IN HIS/HER CAPACITY AS: _____

DATE:_____

SIGNATURE OF SIGNATORY: _____

WITNESSES:

1._____ SIGNATURE: _____

IMPORTANT NOTICE: RESOLUTION TO SIGN

1. In the event that a resolution to sign is not completed by all directors /partners/member directors/ shareholders of the enterprise, the signature of any one of the director or shareholder to this quotation will bind all the directors /partners/member of the enterprise and will therefore render the quotation valid.
2. In the event that a non-shareholder/ non-director/non-partner/ non-member to the enterprise sign this declaration, and no authority is granted, it will automatically invalidate the quotation.

3. In the case of a joint venture or consortium, at least one director/partner/member/ shareholder of each of the parties need to sign the joint venture or consortium agreement.
4. Furthermore, in the case of a joint venture or consortium at least one director/ partner/member/ shareholder of each party to the joint venture or consortium must give consent to give authorisation for signatory to this bid.

DECLARATION

I, THE UNDERSIGNED NAME)……

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2.1 TO 2.3.1 ABOVE IS CORRECT.

I ACCEPT THAT THE PRINCIPAL MAY 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

Until such time that a formal agreement is compiled and accepted, the proposal will be in conjunction with your acceptance or the persons acting on your behalf and will be a binding contract between both parties.

Value Added Tax (VAT) is excluded in the prices. The price be valid for 90 (ninety) days after being awarded.

I/we understand that the Council is not bound to accept the lowest or any proposal received.

The proposer, identified in the offer signature below, has examined the documents listed in the data and addenda (if applicable) and by submitting this offer has accepted the Conditions of the Proposal.

By the representative of the Proposer, deemed to be duly authorised, signing this part of this form of offer and acceptance, the proposer offers to perform all of the obligations and liabilities of the Contractor under the Contract including compliance with all its terms and conditions according to their true intent and meaning for an amount determined in accordance with the conditions of contract identified in the contract data.

Yours faithfully,

_____

For : _____

Address : _____

_____

Upon the terms set out in the conditions of proposal, I/we hereby acknowledge:-

1. That I/we have read and acquainted myself/ourselves with the terms and conditions of proposal and understand the purpose thereof and agree that all such conditions shall form part of this proposal;

2. That this offer is irrecoverable for a period of 90 (ninety) days from the date fixed for the opening of proposals and may be accepted in writing by the uMhlabuyalingana Municipality, at any time during that period, together with this proposal shall constitute a binding agreement of purchase and sale between the uMhlabuyalingana Municipality and myself/ourselves.

I/we understand that the council is not bound to accept the lowest or any proposal it may receive

FAILURE OF THE PROPOSER TO SIGN AND COMPLETE THIS FORM IN FULL WILL INVALIDATE THE PROPOSAL

THE CONDITIONS OF PROPOSAL I/WE READ AND ACCEPT

Signature: (of person authorised to sign the proposal)

_____

Name (of signatory in capitals) : _____

Name of proposer (organisation) : _____

Address : _____

_____

Telephone : _____

Fax Number : _____

Witness signature : _____

Witness Name (in capitals) : _____

Date : _____

ACCEPTANCE

By signing this part of the form of offer and acceptance, the employer identified below accepts the proposers offer. In consideration thereof, the employer shall pay the contractor the amount due in accordance with the conditions of Contract identified in the contract data. Acceptance of the proposer's offer shall form an agreement between the employer and the proposer upon the terms and conditions contained in the agreement in the contract that is the subject of this agreement.

Signature : _____

Name (in capitals) : **MR NPE MYENI**

Capacity : **MUNICIPAL MANAGER**

Name of Employer : **UMHLABUYALINGANA MUNICIPALITY (KZN 271)**

Address : **PRIVATE BAG X901, KWANGWANASE, 3973**

Witness signature : _____

Name (in capitals) : _____

Date : _____

GENERAL CONDITIONS OF CONTRACT

A. TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the provider's performance
22. Penalties
23. Termination for defaults
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties

GENERAL CONDITIONS OF CONTRACT

1. Definitions

The following terms shall be interpreted as indicated:

1.1 **"Closing time"** means the date and hour specified in the bidding documents for the receipt of bids.

1.2 **"Contract"** means the written agreement entered into between the purchaser and the provider, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 **"Contract price"** means the price payable to the provider under the contract for the full and proper performance of his contractual obligations.

1.4 **"Corrupt practice"** means the offering, giving, receiving, or soliciting of any thing of the value to influence the action of a public official in the procurement process or in contract execution.

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

1.6 **"Country of origin"** means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 **"Day"** means calendar day.

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

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

1.10 **"Delivery into consignees store or to his site"** means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the provider bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 **"Dumping"** occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12 **"Force majeure"** means an event beyond the control of the provider and not involving the provider's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 **"Fraudulent practice"** means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 **"GCC"** means the General Conditions of Contract.

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

1.16 **"Imported content"** means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the provider or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as land costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 **"Local content"** means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

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

1.19 **"Order"** means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 **"Project site,"** where applicable, means the place indicated in bidding documents.

1.21 **"Purchaser"** means the organization purchasing the goods.

1.22 **"Republic"** means the Republic of South Africa.

1.23 **"SCC"** means the Special Conditions of Contract.

1.24 **"Services"** means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the provider covered under the contract.

1.25 **"Written"** or **"in writing"** means hand-written in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 Invitations to bid are usually published in locally distributed news media and in the institution's website.

4. Standards

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection

5.1 The provider shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the provider in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The provider shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the provider's performance under the contract if so required by the purchaser.

5.4 The provider shall permit the purchaser to inspect the provider's records relating to the performance of the provider and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

6.1 The provider shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of goods or any part thereof by the purchaser.

6.2 When a provider developed documentation/projects for the municipality, department or Provincial entity, the intellectual, copy and patent rights or ownership or such documents or projects will vest in the municipality, department or PROVINCIAL entity.

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the success bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the provider's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
(b) a cashier's or certified cheque.

7.4 The performance security will be discharged by the purchaser and returned to the provider not later than thirty (30) days following the date of completion of the provider's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the purchaser or an organization acting on behalf of the purchaser.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clause 8.2 & 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the provider.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the provider who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do not comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the providers cost and risk. Should the provider fail to provide the substitute supplies forthwith, the purchaser may, without giving the provider further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the provider.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packaging

9.1 The provider shall provide such packaging of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging, case size and weights shall take into consideration, where appropriate, the remoteness of the good's final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packaging, marking and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods and arrangements for shipping and clearance obligations, shall be made by the provider in accordance with the terms specified in the contract.

11. Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.

13. Incidental services

13.1 The provider may be required to provide any or all of the following services, including additional services, if any:

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;

(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;

(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the provider of any warranty obligations under this contract; and

(e) training of the purchaser's personnel, at the provider's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the provider for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the provider for similar services.

14. Spare parts

14.1 As specified, the provider may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the provider:

1) such spare parts as the purchaser may elect to purchase from the provider, provided that this election shall not relieve the provider of any warranty obligations under the contract, and
2) in the event of termination of production of the spare parts:
   a) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
   b) Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The provider warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The provider further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the provider, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.

15.3 The purchaser shall promptly notify the provider in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the provider shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the provider, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the provider's risk and expense and without prejudice to any other rights which the purchaser may have against the provider under the contract.

16. Payment

16.1 The method and conditions of payment to be made to the provider under this contract shall be specified

16.2 The provider shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the provider.

16.4 Payment will be made in Rand unless otherwise stipulated.

17. Prices

17.1 Prices charged by the provider for goods delivered and services performed under the contract shall not vary from the prices quoted by the provider in his bid, with the exception of any price adjustments authorized or in the purchaser's request for bid validity extension, as the case may be.

18. Increase/decrease of quantities

18.1 In cases where the estimated value of the envisaged changes in purchase does not exceed 15% of the total value of the original contract, the contractor may be instructed to deliver the revised quantities. The contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

19. Contract amendments

19.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

20. Assignment

20.1 The provider shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

21. Subcontracts

21.1 The provider shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the provider from any liability or obligation under the contract.

22. Delays in the provider's performance

22.1 Delivery of the goods and performance of services shall be made by the provider in accordance with the time schedule prescribed by the purchaser in the contract.

22.2 If at any time during performance of the contract, the provider or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the provider shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the provider's notice, the purchaser shall evaluate the situation and may at his discretion extend the provider's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

22.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if any emergency arises, the provider's point of supply is not situated at or near the place where the supplies are required, or the provider's services are not readily available.

22.4 Except as provided under GCC Clause 25, a delay by the provider in the performance of its delivery obligations shall render the provider liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

22.5 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the provider's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the provider.

23. Penalties

23.1 Subject to GCC Clause 25, if the provider fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed good or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

24. Termination For Default

24.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the provider, may terminate this contract in whole or in part:

(a) if the provider fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
(b) if the provider fails to perform any other obligation(s) under the contract; or
(c) if the provider, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

24.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the provider shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the provider shall continue performance of the contract to the extent not terminated.

25. Anti-Dumping And Counter-Vailing Duties And Rights

25.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the provider to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the provider in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

26. Force Majeure

26.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the provider shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

26.2 If a force majeure situation arises, the provider shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the provider shall continue to perform its obligations under the contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

27. Termination For Insolvency

27.1 The purchaser may at any time terminate the contract by giving written notice to the provider if the provider becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the provider, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser,

28. Settlement Of Disputes

28.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the provider in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

28.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the provider may give notice to

the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

28.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

28.4 Notwithstanding any reference to mediation and / or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the provider any monies due to the provider for goods delivered and / or services rendered according to the prescripts of the contract.

29. Limitation Of Liability

29.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the provider shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the provider to pay penalties and / or damages to the purchaser; and

(b) the aggregate liability of the provider to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

30. Governing Language

30.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

31. Applicable Law

31.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified.

32. Notices

32.1 Every written acceptance of a bid shall be posted to the provider concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

32.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

33. TAXES AND DUTIES

33.1 A foreign provider shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

33.2 A local provider shall be entirely responsible for all taxes, duties, license fees, etc, incurred until delivery of the contracted goods to the purchaser.

33.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order.

34. Transfer Of Contracts

34.1 The contractor shall not abandon, transfer, assign or sublet a contract or part thereof without the written permission of the purchaser.

35. Amendment Of Contracts

35.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.