Bid no: RT9-2027

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

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Specific Goal(s).

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS, AND DIRECTIVES APPLICABLE IN RESPECT OF SPECIFIC GOALS, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022.

1. GENERAL CONDITIONS

1.1 The following preference point systems apply to the **RT9-2027** bid:

- The 90/10 system for requirements with a Rand value above R50 million (all applicable taxes included).

1.2 The value of this bid is estimated to exceed R50 million (all applicable taxes included), and therefore the 90/10 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

a) Price; and

b) Specific goal(s).

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

		POINTS
1.3.1.1	**PRICE**	**90**
1.3.1.2	**SPECIFIC GOAL(S)**	**10**
	a) Historically Disadvantaged Individuals:	
	i) Who had no franchise in national elections before the 1983 and 1993 Constitutions	**3**
	ii) Who is a female	**1**
	b) Other specific goals (goals of the RDP- plus local manufacture)	
	i) Local Manufacturing	**6**
	c) Total points for Price and Specific goal(s) must not exceed	**100**

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit proof of claim for specific goals together with the bid will be interpreted to mean that preference points for specific goal(s) are not claimed.

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

2. DEFINITIONS

2.1 **"All applicable taxes"** include value-added tax, pay-as-you-earn, income tax, unemployment insurance fund contributions, and skills development levies.

2.2 **"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 services, works or goods, through price quotations, advertised competitive bidding processes, or proposals.

2.3 **"Comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration.

2.4 **"Consortium or joint venture"** means an association of persons to combine their expertise, property, capital, efforts, skill, and knowledge in an activity for the execution of a contract.

2.5 **"Contract"** means the agreement that results from the acceptance of a bid by an organ of state.

2.6 **"Disability"** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.

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

2.8 **"Firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;

2.9 **"Functionality"** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, considering, among other factors, the quality, reliability, viability, and durability of a service and the technical capacity and ability of a bidder.

2.10 **"non-firm prices"** means all prices other than "firm" prices;

2.11 **"person"** includes a juristic person;

2.12 **"rand value"** has the same meaning as contemplated in the Preferential Procurement Regulations, 2022;

2.13 **"sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;

2.14 **"Total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the Government Gazette on 9 February 2007.

2.15 **"Trust"** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and

2.16 **"trustee"** means any person, including the founder of a trust, to whom property is bequeathed for such property to be administered for the benefit of another person.

2.17 **"Youth"** means persons between the ages of 14 and 35 in terms of the National Youth Development Agency Act, 2008. For this bid, the date to be used for the determination of age will be the closing date of the bid and in a case where the closing date of a bid has been extended, the original (first) closing date shall be used to determine age.

3. ADJUDICATION USING A POINT SYSTEM

3.1 The bidder obtaining the highest number of points will be awarded the contract.

3.2 Preference points shall be calculated after prices have been brought to a comparative basis considering all factors of non-firm prices and all unconditional discounts.

3.3 Points scored must be rounded off to 2 decimal places.

3.4 If two or more bids have scored equal total points, the successful bid will be determined in terms of Regulation 8 of the Preferential Procurement Regulations, 2022.

4. POINTS AWARDED FOR PRICE

4.1 THE 90/10 PREFERENCE POINT SYSTEMS

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

$$Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$$

Where:

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration; and

Pmin = Price of lowest acceptable tender.

5. POINTS AWARDED FOR SPECIFIC GOAL(S)

5.1 In terms of Regulation 4 (2) and 5 (2) of the Preferential Procurement Regulations, 2022 preference points must be awarded to a bidder for meeting the criteria for specific goal(s).

5.2 A trust, consortium, or joint venture will qualify for points for a specific goal(s) based on the percentage of the contract value managed or executed by individuals who are actively involved in the management or exercise control of the respective parties of the trust. consortium or Joint Venture.

5.3 Tertiary institutions and public companies may not be awarded points for preference.

5.4 Preference points for Specific goal(s) are calculated on their percentage shareholding in a business, provided that they are actively involved in and exercise control over the enterprise. The following formula must be used:

$$\text{PSSG} = \text{MPA} \times \frac{\text{PEO}}{100}$$

Where:

PSSG= Points scored for a specific goal

MPA = Maximum points allocated for a specific goal

PEO = Percentage of equity ownership by an HDI or percentage prescribed for a specific goal

6. BID DECLARATION

6.1 Bidders who claim points in respect of Specific goal(s) must complete the following:

6.1.1 Specific goal(s) claimed in terms of paragraph 1.3.1.2 and 5.1.

6.1.1.1 Equity ownership claimed in terms of paragraphs 1.3.1.2 and 5.1 and calculated in terms of formula in paragraph 5.4 above:

Equity Ownership	Percentage owned[1]	Points claimed
Equity ownership **by persons who** had no franchise in the national elections		

6.1.1.2 Details of equity ownership as per paragraph 6.1.1.1 above.

Equity Ownership	Name of persons	Type of actively involved in or type of control over enterprise/company
Equity ownership **by persons who** had no franchise in the national elections		

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted? *Please circle the appropriate answer* **Yes / No**

8.1.1 If yes, indicate:

7.1.1.1 What percentage of the contract will be sub-contracted? _____%

7.1.1.2 What is the name of the sub-contractor? _____

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

Type	Please tick the applicable type
Partnership / Joint Venture / Consortium	
One-person business / sole propriety	
Close Corporation	
Private Company	

[1] This percentage owned refers to percentage of ownership by persons who are actively involved in and exercise control over the enterprise / company (the bidder)

Public Company	
Non-Profit Organisation	
Other (*Please specify)*	

8.5 Describe principal business activities.

8.6 Company classification

Classification	Please tick the applicable classification
Manufacture	
Supplier	
Professional service provider	
Other service provider (*e.g. transporter)*	
Public Company	
Non-Profit Organisation	
Other (*Please specify)*	

8.7 TOTAL NUMBER OF YEARS THE FIRM HAS BEEN IN BUSINESS? _____

8.8 I/we, the undersigned, who is/are duly authorized to do so on behalf of the company/firm, certify that the points claimed, based on Specific goals indicated in this tender, qualify the company/ firm for the preference(s) shown and I/we acknowledge that:

8.8.1 The information furnished is true and correct.

8.8.2 The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.

8.8.3 In the event of a contract being awarded as a result of points claimed, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.

8.8.4 If the declaration for claiming points on specific goals has been claimed or obtained on a fraudulent basis or any of the conditions of the contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

8.8.4.1 Disqualify the person from the bidding process.

8.8.4.2 Recover costs, losses, or damages it has incurred or suffered as a result of that person's conduct.

8.8.4.3 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.

8.8.4.4 restrict the bidder or contractor, its shareholders, and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

8.8.4.5 Forward the matter for criminal prosecution.

_____

NAME OF BIDDER'S REPRESENTATIVE

_____

SIGNATURE(S) OF BIDDER'S REPRESENTATIVE

_____

DATE

ADDRESS:……

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