



# agriculture & rural development

Department:  
agriculture  
& rural development  
**PROVINCE OF KWAZULU-NATAL**

## INVITATION OF QUOTATION ABOVE R30,000.00

THIS FORM SHOULD BE COMPLETED IN DETAIL AND SHOULD BE ACCOMPANIED BY A **VALID TAX COMPLIANCE STATUS PIN AND VALID BBBEE VERIFICATION CERTIFICATE/AFFIDAVIT**

|  |   |
|--|---|
| QUOTATION NUMBER: R/N/1819/385   | VALIDITY PERIOD OF QUOTATION..... Days<br>(To be completed by the Supplier)                                     |
| CLOSING DATE: <b>25/10/2018</b>  | CLOSING TIME:11H00  |
| DESCRIPTION(SPECIFICATION/S) OF ITEMS/<br>SERVICE REQUIRED: <b>SUPPLY, DELIVER MATERIAL AND ERECT 0.45 KM FENCE AT EKUPHILENI PROJECT AT UMLALAZI LOCAL MUNICIPALITY</b><br><br><b>SEE ATTACHED SPEC</b> | COMPANY NAME:<br><br>TEL NO:<br>FAX NO:<br><br>CONTACT PERSON:<br><br><b>CSD REG NUMBER</b><br><b>MAAA.....</b> |
| DOES OFFER COMPLY WITH SPECIFICATION?  | YES/NO<br>(DELETE WHICH EVER IS NOT APPLICABLE)   |
| DOES ARTICLE COMPLY WITH SABS SPECIFICATION?<br>HAS IT BEEN INSPECTED BY SABS?   | YES/NO<br>YES/NO<br>(DELETE WHICH EVER IS NOT APPLICABLE)   |
| DELIVERY PERIOD AFTER INITIAL ORDER?   |   |
| IS THE PRICE FIRM  |   |
| WHERE ARE THE STOCK HELD?<br>(PHYSICAL ADDRESS , PLEASE)   |   |
| QUOTATION PRICE INCLUDING VAT<br>(VAT TO BE ADDED BY REGISTERED VAT VENDORS ONLY)  | TOTAL: R .....  |
| COMPANY OFFICIAL STAMP (COMPULSORY)  | .....<br>SIGNATURE OF BIDDER<br><br>.....<br>DATE   |
| NUMBER OF PAGES SUBMITTED BACK TO THE DEPARTMENT BY THE SUPPLIER   | .....( Supplier to complete)  |

**NB: QUOTATION FOR THE ATTENTION OF: SAMKELISO ZITHA**

**TELEPHONE NUMBER: 033 343 8104**

**DOCUMENTS TO BE DEPOSITED AT THE BID BOX AT CEDARA: DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT, 1 CEDARA ROAD**

**NB: THE ATTACHED SBD4 & SBD9 FORMS MUST BE COMPLETED IN FULL. THIS REQUEST FOR QUOTATION (RFQ) MUST BE COMPLETED AND RETURNED WITH ALL YOUR QUOTATION DOCUMENTS.**

COMPANY NAME :  
 ADDRESS :  
 CONTACT PERSON :  
 CONTACT NUMBER :  
 FAX NUMBER :

| LINE NO.   | DESCRIPTION OR SPECIFICATION OF ITEM<br>(Please be very specific and clear)                       | REQUIRED QUANTITY | UNIT PRICE EXCL. VAT |   | TOTAL PRICE |   |
|--|---|-------------------|----------------------|---|-------------|---|
|  |   |                   | R                    | C | R           | C |
| 1.   | Supply , deliver and erect fencing of 0.45km Ekuphileni 1ha (Mpungose) in uMlalazi King Cetshwayo |                   |                      |   |             |   |
| 2.   |   |                   |                      |   |             |   |
|  |   |                   |                      |   |             |   |
|  |   |                   |                      |   |             |   |
| * LABOUR (IF APPLICABLE)                             |   |                   |                      |   |             |   |
| *DELIVERY (IF APPLICABLE)                            |   |                   |                      |   |             |   |
| TOTAL  |   |                   |                      |   |             |   |
| *ONLY APPLICABLE TO VAT REGISTERED SUPPLIERS 14% VAT |   |                   |                      |   |             |   |
| TOTAL PRICE  |   |                   |                      |   |             |   |

\*VAT Registration No. (Supplier) -----

When Required (Requester): September 2018

Where Required (Requester): uMlalazi L/M

Contact details of requester: S.L. Makhanya

TEL : 082 085 2774

**(COMPULSORY)**

COMPANY STAMP

PRICES ARE VALID FOR

30

60

90

DAYS

Mark one Box (X)

SIGNATURE .....

DATE .....

**KZN DEPARTMENT OF AGRICULTURE, ENVIRONMENTAL  
AFFAIRS AND RURAL DEVELOPMENT**



UMNYANGO: EZOLIMO EZEMVELO NOKUTHUKISWA  
KWEMIPHAKATHI YASEMAKHAYA - ISIFUNDAZWE SAKWAZULU-NATALI

**BID DOCUMENT FOR THE CONSTRUCTION OF:  
HINGED JOINT FENCE WITH 3 STRANDS BARBED WIRE ON TOP**

Project: EKUPHILENI

**TABLE OF CONTENTS:**

| No. | Section                               | Pages | Read / Complete |
|-----|---------------------------------------|-------|-----------------|
| 1.  | Project Particulars and Specification | 1-4   | Read            |
| 2.  | Bill of Quantities                    | 5     | Complete        |
| 3.  | Drawing A1                            | 6     | Read            |
| 4.  | Map of fence layout                   | 7     | Read            |

Appointment of a Service Provider to erect 0,45 kms hinged joint fence at EKUPHILENI

### **1. Background:**

The fence is to be erected approximately 20 km from Eshowe

### **2. Specific Objective:**

Supply, deliver and fully erect a hinged joint fence of 0,45 km.

The fence must be erected in accordance with the specification in the attached drawing, Drawing A1.

### **3. Scope of Objectives:**

Supply and erect a 1.2m hinged joint fence with 3 strands of double twist barbed wire above.

The following services are required:

- 3,1 Supply: - of the specified materials listed in the Bill Of Quantities, Appendix 1.
- 3,2 Delivery: - of all materials to EKUPHILENI
- 3,3 Erection:
  - according to the attached map, showing the fence layout.
  - according to the Departmental Specifications in the attached drawing, Drawing A1.
  - providing all equipment required for erection
  - sourcing of at least 50% unskilled labour from the local community.
- 3.4 Inspection and reporting:
  - weekly inspection reports of progress must be submitted on Monday morning to the contact person.
  - On site inspections will be conducted by the Departmental staff to check all completed work before any payments will be made.
  - The contractor is responsible to check that the tendered distance is correct. Failure to check the distance before starting the installation will result in the contractor not being paid for any excess/extra material that the contractor has purchased. The contractor will only be paid for materials that have been used. Where the tendered distances is lower than the required distance the contractor must not exceed the tender amount prior to receiving authorization in the form of a variation order.
  - Accurate distances of all erected fences are to be kept by the service provider as only work that has been done will be paid for. Any fencing installed over the order amount will not be paid for unless prior permission has been obtained to exceed the order amount.
  - Site meetings and project steering committee meetings to be held when necessary and minutes to be kept by the service provider.

### **4. Deliverables:**

- Fencing materials according to the Bill of Quantities in Appendix 1.
- 4,2 Construction of the fence according to the specifications provided in Drawing A1.  
If Drawing A1 was not attached to the tender documents it is the contractors responsibility to obtain the drawing before submitting the tender. Failure to erect the fence according to the Departmental specification will result in the contractor having to re-install the fence at the contractors own expense.
- 4,3 Weekly written progress reports to the Local Agricultural Manager, outlining progress, daily activities and quantities of materials used.
- 4,4 Submission of full closeout report including materials used, job opportunities created in EPWP format for the duration of the project.
- 4,5 Attendance of steering committee meetings and the provision of minutes if called for.
- 4,6 The contract requires a minimum delivery of 3 km of completed fencing per week.

### **5. Competence and Expertise:**

It is essential that the work be carried out by fully competent personnel with proven experience in fencing and Project Management.

- 5,1 Competency:
  - only bidders with proven ability to complete 3 km per week shall be considered.
  - bidders are required to provide an implementation plan including time frames from start to finish.
  - failure to provide a program will invalidate the bid.
- 5,2 Labour: -skilled and semi-skilled labour only to be provided by the contractor. At least 50%

unskilled labour is to be sourced from the local community.

5,3 Site supervision -Project Manager/Technician on site to supervise work done, quality control and certify work for payment. Estimated time for payment is 6 weeks.

5,4 Bid Format: All documents in the bid document are to be completed. All quotations and claims must include VAT.

## **6. Validity Period for Bid:**

Bids shall remain valid for a period of 90 days from the date that the bid closes.

## **7. Compulsory Pre-Bid Tender Meeting:**

A compulsory pre-bid site meeting will be held with prospective bidders. Failure to attend this meeting will invalidate the bid.

## **8. Site Hand Over to the Contractor:**

The contractor will be introduced to the project participants following the awarding of the tender. The site will be handed over to the contractor who will control the site for the duration of the project. The contractor will be responsible for the administration, control and security for the site. It is up to the contractor to arrange insurance as the contractor is responsible for and theft or damage that occurs on site and will have to pay for any repairs or replacements.

## **9. Water and Electricity:**

There is no piped water and electricity on site. The contractor shall make the necessary arrangements for the provision of any water and electricity. Any cost to acquire water and electricity must be added to the bid amount as no extra funding will be received.

## **10. Housing of Contractors Employees:**

No housing is available for the contractors employees and the contractor shall make arrangements to house any labour and transport them to and from site. It is up to the contractor to arrange any short term accommodation with the project participants. The contractor is responsible for any financial expenses for housing employees on site.

## **11. Underground Cables and Pipes:**

If such services are discovered, immediate notification must be made to the Employer and all work in the vicinity will cease until it is safe to continue. If the contractor damages any underground pipes or cables such damage will be repaired as soon as it is safe and possible by the contractor, at his own expense.

## **Insurance**

All accepted approved contractors shall be required to provide the following insurance's for the project awarded to them:

- i) Registration with the Compensation Commissioner and compliance with the Compensation for Occupational Injuries and Diseases Act with regard to insurance.
- ii) Unemployment fund insurance for all workers.
- iii) Insurance against damage, destruction or loss caused by fire.
- iv) Public Liability insurance.
- v) All Risks (works) Policy Political for the value of the respective project plus 10%.

## **13. Specification:**

Refer to Bill of Quantities and Drawings .

- Spacing:  
10% maximum variation from the specified spacing will be accepted.
- Boxes:  
Minimum length to be 1.2m.
- Compaction:  
Normal manual force against the poles must be absorbed.
- Straining:  
The hinged joint section and barbed wire to be strained.  
If the fence is pulled down, it must recover to it's original position. Fence is to be strained using

- appropriate straining equipment.
- Exposed Surfaces:  
All exposed surfaces where poles have been sawed off are to be painted with creosote.

**14. Timetable/Timing:**

The contractor must be on site and commence construction no later than 1 week after an order has been issued. Where more than 1 payment is required, the contractor must indicate the number of part payments that will be required in the tender documents. Claims for work that has been completed and verified can be submitted on a monthly basis. No more than 1 claim per month will be accepted.

**15. Management Arrangements and Reporting Requirements:**

H.B Nkosi is the District Manager. Any matters regarding the district staff or any complaints should be directed to him/her.

**16. Evaluation Criteria:**

Proven previous experience is a requirement to qualify.

Award of work to the successful bidder will be based on Price, Departmental Goals (i.e. preference points as per ZNT 30 attached) and functionality.

16.1 Compliance:

- i) All information and documentation required in the Specification, eg. Certificates.
- ii) All information required in the bid document must be accurate and duly completed, including all the appropriate signatures. This includes the submission of required / requested documentation eg. valid tax certificate, ZNT 30 etc.
- iii) Failure to comply with any of the requirements will invalidate the bid.

16.2 The 80/20 Preference Points System:

Bids that are less than R500 000 will apply the 80/20 preference points system, where 80 points will be used for pricing scores only and 20 points for HDI status. Bids greater than R500 000 will apply the 90/10 system.

|    |              |                    |              |                    |
|----|--------------|--------------------|--------------|--------------------|
| i) | <b>GOALS</b> | <b>GOALS 80/20</b> | <b>GOALS</b> | <b>GOALS 90/10</b> |
|    | No Franchise | 10 points          | No Franchise | 5 Points           |
|    | Women        | 6 points           | Women        | 3 Points           |
|    | Youth        | 4 points           | Youth        | 2 Points           |

ii) Functionality:

| Criteria    | Guidelines for evaluation criteria applications   |
|-------------|---|
| Ability     | Bidders to provide proof of current capacity and ability to manage and implement a project of this magnitude.         |
| Capacity    |   |
| Capability  | Demonstration of capability and competency to render the required service.  |
| Competency  |   |
| Experience  | Bidders to provide evidence of similar projects completed.  |
| Methodology | Provide a short description of your intended implementation methodology, indicating time frames to complete the work. |

Evaluation Criteria for Functionality:

Note: in order to ensure meaningful evaluation, bidders must submit detailed information in substantiation of the evaluation criteria mentioned. Failure to provide supporting information requested above will invalidate the bid.

16.3 General:

The Department of Agriculture, Environmental Affairs and Rural Development is an equal opportunity, affirmative action employer. It shows the same commitment to those who wish to provide services to the Department via the procurement process. This does not preclude the formation of consortiums or the inclusion of proposals on how this project can be used to further the aims of transformation.

The actual price quoted, including VAT, will be used for issuing of an order to the successful bidder. You must provide for all items in Appendix 1 as the unit rates quoted will be applied for calculation of the amount claimable.

### **17. Payment Schedule:**

Claims for work that has been completed can be made according to the following payment schedule:

|   |   |                                     |
|---|---|-------------------------------------|
| 1 | Site Establishment:                       | 5%                                  |
| 2 | Material delivered to site (with invoice) | Invoiced Amount                     |
| 3 | Completed sections of fence (per m)       | pro rata tender amount (less 1+2+4) |
| 4 | Retention                                 | 5%                                  |

A 5% retention will be kept for 3 months after works have been completed to make sure that the standard of work that has been done is satisfactory.

### **18. Enquiries:**

H.B Nkosi      District Manager      Contact Number      0354730400

N.F Ntuli      Project manager      Contact Number      0722282461

## APPENDIX 1: BILL OF QUANTITIES

### 1.2m Hinged joint fence with 3 strands of barbed wire above (Total Height 1.7m)

Project: **Ekuphileni**  
 Fence Perimeter = **450m**  
 District **King Cetshwayo**  
 Contact Person **N.F Ntuli**  
 Contact Number **0722282461**

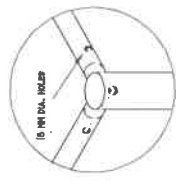
| No. | Item Description  | Quantity Required | Unit Price | Total Cost |
|-----|---|-------------------|------------|------------|
|     | <b>General:</b>   |                   |            |            |
| 1   | Site establishment  | sum               |            |            |
| 2   | Site Clearing:<br>Removal of any existing fences.<br>Bush clearing required.  | sum               |            |            |
|     | <b>Materials:</b>   |                   |            |            |
| 3   | Fully Galvanized barbed wire<br>1.6mm diameter High Tensile<br>Double Strand - 845m per roll<br>Galvanized Class C                                      | 2Roll(s)          |            |            |
| 4   | 2.4m Standard Creosote Poles,pressure<br>approved 100 - 125mmØ  | 107 Poles         |            |            |
| 5   | Hinged Joint Fence, 1.2m high<br>(eg. Veldspan/Bonnox/or equivalent)<br>Galvanized Class C<br>150mm squares, 100m rolls                                 | 5 Roll(s)         |            |            |
| 6   | Galvanized Wire Staples 3.15 x 32mm<br>500g packs   | 11 Pack(s)        |            |            |
| 7   | 1.7m x 0.9m pedestrian gate<br>Hot dip galvanized finish<br>40 - 50mm diam pipe frame<br>wall thickness of 1.6mm min<br>Hinge eye bolts, include chain  | 0Gate(s)          |            |            |
| 8   | 4m x1.2m vehicle farm gate<br>Frames per gate HDG Finish,<br>40-50mm dia. Pipe frame,<br>wall thickness of 1.6mm min,<br>Hinge eye bolts, include chain | 1Gate(s)          |            |            |
| 9   | 8 ga tie wire, 4mm diam, 5kg roll<br>Galvanized Class C   | 1 Roll(s)         |            |            |
| 12  | Concrete @ 15 Mpa/19mm stones   | 2. m <sup>3</sup> |            |            |
| 13  | 12 ga binding wire, 2.5mm diam<br>5kg roll<br>Galvanized Class C  | 6 Roll(s)         |            |            |
| 14  | Erection Cost   | sum               |            |            |
| 15  | Transport Cost  | sum               |            |            |
|     | <b>SUB-TOTAL</b>  |                   |            |            |
|     | <b>VAT</b>  |                   |            |            |
|     | <b>TOTAL</b>  |                   |            |            |

**NOTE:** This Bill of Quantities must be read in conjunction with DRAWING no. A4 Dated 22/10/2010-23/01/2015



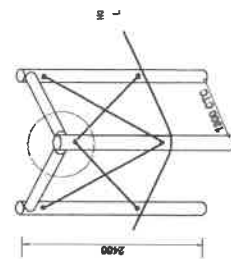
**NOTES**

- 1) ALL POLES PRESSURE TREATED CROSBOTED (NOT PAINTED ON). 2.4M x 100 -125MM DIAMETER.
- 2) HINGED JOINT FENCING: 1.2M HEIGHT, VERTICAL WIRES SPACED 150MM. HORIZONTAL WIRES - 10 STRANDS, SPACED CLOSER AT THE BOTTOM.
- 3) THREE STRANDS OF BARBED WIRE ABOVE THE HINGED JOINT FENCE 150MM APART.
- 4) BARBED WIRE GALVANIZED, 1.0MM DIAMETER, DOUBLE STRAND - 845M ROLL.
- 5) THE FENCE SHOULD BE SECURED ONTO THE HARDWOOD POSTS AND BOXES BY MEANS OF 3.15 x 32 MM STAPLES.
- 6) THE STAPLES ARE TO BE INSTALLED OVER THE HORIZONTAL WIRES AT A 45 DEGREE ANGLE.
- 7) POLES, 5.0M APART, TO BE PLACED IN HOLES 700MM DEEP AND VERY WELL COMPACTED WITH SOIL IN LAYERS.
- 8) SANDY SOILS REQUIRE A REFILL OF SOIL OR 10% SOIL/CEMENT MIX.
- 9) HOLES DRILLED THROUGH POLES AS SHOWN FOR TIES ON INSERT IN DRAWING.
- 10) BOXES BRACED WITH DIAGONAL DOUBLE 8 GA WIRE STRANDS TWISTED TO TENSION. BRACE OR "BOX" 1500MM WIDE CTC. (CUT ONE 2.4M POLE IN HALF).
- 11) ONE BOX EACH SIDE OF GATE. DOUBLE BOX AT 90 DEGREES ANGLE AT CORNERS.
- 12) ADDITIONAL BOXES AS REQUIRED, MIN. EVERY 100M.
- 13) ALL GATES TO BE CLAD WITH 50 x 100MM WELDNESH.
- 14) USE WIRE STRAINER FOR TENSIONING OF STRANDS. ANCHOR END OF WIRE ON BOX BEFORE STRAINING.

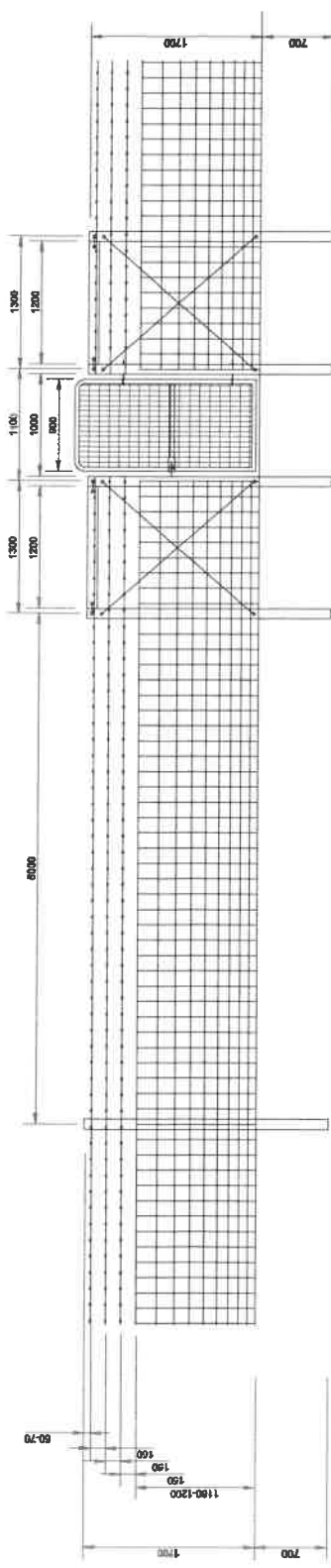


DETAIL

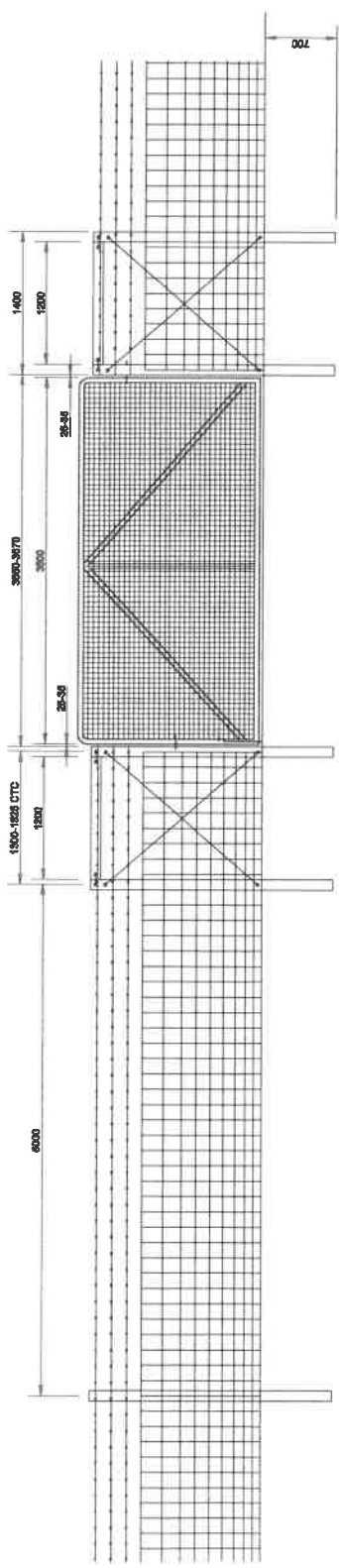
WIRE BOX IS SHOWN TO STRAINING BOX. USE 8 GA WIRE AND 2 TOP BRACES



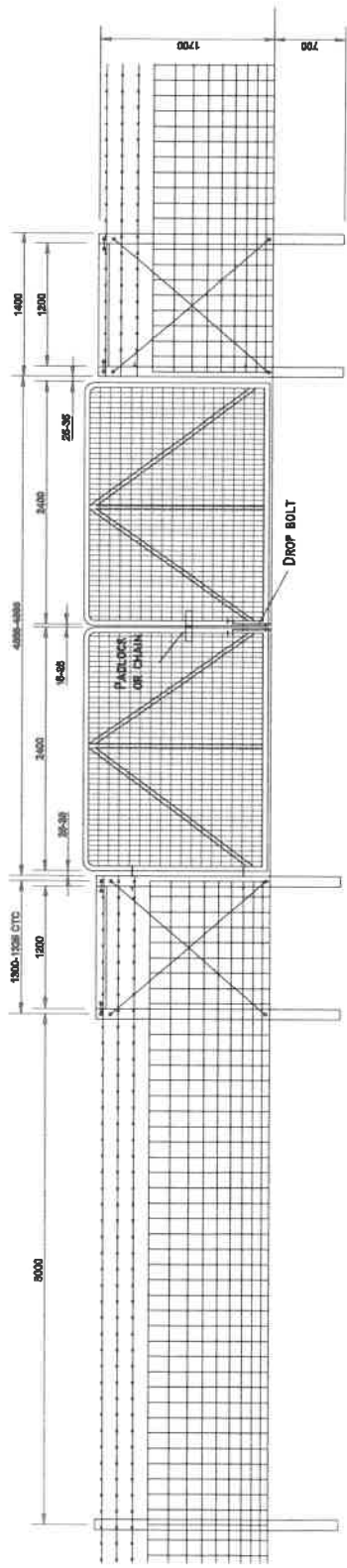
CORNER BOX



FENCE LINE WITH PEDESTRIAN GATE



FENCE LINE WITH SINGLE VEHICLE GATE



FENCE LINE WITH DOUBLE TRACTOR GATE

## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
    - the bidder is employed by the state; and/or
    - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
  2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
    - 2.1 Full Name of bidder or his or her representative:  
.....
    - 2.2 Identity Number:  
.....
    - 2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>, member):  
.....
    - 2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:  
.....
    - 2.5 Tax Reference Number:  
.....
    - 2.6 VAT Registration Number:  
.....
    - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.
-

1"State" means –

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

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

**Please clearly indicate, with an 'X' only one box that is applicable to your business or firm**

2.7 Are you or any person connected with the bidder presently employed by the state?

|     |    |
|-----|----|
| YES | NO |
|-----|----|

2.7.1 If so, furnish the following particulars:

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

.....

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

.....

Position occupied in the state institution:

.....

Any other particulars:

.....

2.7.2 If you are presently employed by the state, did you obtain

|     |    |
|-----|----|
| YES | NO |
|-----|----|

the appropriate authority to undertake remunerative work outside employment in the public sector?

If yes, did you attach proof of such authority to the bid document?

|     |    |
|-----|----|
| YES | NO |
|-----|----|

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

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

.....

.....

**2.8** Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?

|     |    |
|-----|----|
| YES | NO |
|-----|----|

2.8.1 If so, furnish particulars:

.....

.....

**2.9** Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

|     |    |
|-----|----|
| YES | NO |
|-----|----|

2.9.1 If so, furnish particulars.

.....

.....

**2.10** Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

|     |    |
|-----|----|
| YES | NO |
|-----|----|

2.10.1 If so, furnish particulars.

.....

.....

**2.11** Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?

|     |    |
|-----|----|
| YES | NO |
|-----|----|

2.11.1 If so, furnish particulars:

.....

.....

**3 Full details of directors / trustees / members / shareholders.**

| Full Name | Identity Number | Personal Income Tax Reference Number | State Employee Number / Persal Number |
|-----------|-----------------|--------------------------------------|---------------------------------------|
|           |                 |                                      |                                       |
|           |                 |                                      |                                       |
|           |                 |                                      |                                       |
|           |                 |                                      |                                       |
|           |                 |                                      |                                       |
|           |                 |                                      |                                       |
|           |                 |                                      |                                       |
|           |                 |                                      |                                       |
|           |                 |                                      |                                       |
|           |                 |                                      |                                       |

**4 DECLARATION**

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.

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

.....  
Name of bidder

.....  
Position

.....  
Signature

.....  
Date

## CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

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

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

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.

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

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Signature

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Date

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Position

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Name of Bidder