Terms of Reference: 7G-019 FEASIBILITY STUDY FOR UMLAZI J AGRICULTURAL HUB (ERF 2044, UMLAZI J SECTION)

CONTRACT NUMBER: 7N – 019 REQUEST FOR PROPOSALS:

FEASIBILITY STUDY:

UMLAZI J AGRICULTURAL HUB

(ERF 2044, UMLAZI J SECTION)
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Definitions of acronyms/ glossary

BBBEE: Broad Based Black Economic Empowerment
GIS: Geographic Information System
IDP: Integrated Development Plan(s)
KZN: KwaZulu-Natal
LTE: Long Term Expert
RLED: Regional and Local Economic Development
PSC: Project Steering Committee
SMME: Small, Medium and Micro enterprise
SPD: Service Providers Database
STE: Short Term Expert
ToR: Terms of Reference
LIT's: Light Industrial and Technology Incubator
VAT: Value Added Tax
1. BACKGROUND & CONTEXT

1.1. Background to the project being tendered

Township economy is now an areas of focus across South Africa and the City has committed in embarking on it through various interventions, sectors, spheres, structures etc. Lack of economic opportunities and poor physical and spatial planning in South Africa’s townships are well documented. As findings states, most countries are made up of two distinct geographic areas, one rural and one urban. But South Africa’s landscape also includes townships and informal settlements (T&IS) which makes for large, underdeveloped communities with working age people desperate for economic opportunity, being spatially disconnected from urban centres that offer better economic prospects.

In the Durban context, economic linkages and physical linkages between the City and townships are also below par. The eThekwini Spatial Development Framework 2017 reports that: “The spatial distribution of economic activity in EMA [eThekwini Municipal Area] is heavily skewed towards the Durban City Centre, the Durban South Basin, the Port of Durban and the Pinetown and New Germany areas. The EMA has uneven distribution of economic opportunities with most employment and consumption opportunities concentrated in the central core areas. This implies that there are few employment opportunities where people live, and that economically active residents must commute between work and home.

This study will be focusing on helping the community of uMlazi Station J Node. The Node is situated at the end of uMlazi railway line. It is density populated with a mix of residential, formal and informal activities. The Node acts predominately as a transport hub as there are currently only a few commercial facilities within the Node, and the station acts as the link between the western residential areas and the rest of uMlazi. As the opportunity exists to develop the station and generate more origin/destination activities and the current population density will be able to support and sustain proposed developments.

It is the intention and objective of this feasibility study to unlock the business opportunities and economic potential for the Community of uMlazi J in Ward 78.
2. PURPOSE OF THE TERMS OF REFERENCE

The purpose of this document is to solicit the services of a service provider to assist the eThekwini Municipality in undertaking a feasibility study for the establishment of uMlazi J Agricultural Hub. Prospective bidders can include a firm or consortium of firms or a consortium of individual experts.

3. PROJECT OBJECTIVES.

3.1. Introduction: Why the project is important

The eThekwini Municipality has identified a +- 5.2 hectare portion of land, Erf 2044, uMlazi - J Section, Ward 78. The land previously operated as a sewage treatment plant, with some of its previous structures still present on site.

This site is to be utilised as a Community Agricultural Hub, to combat unemployment and also provide the locals with an opportunity to partake in the local and broader economic market. The Community Agricultural Hub may also comprise of various forms of agricultural activities. It is the purpose of this study to allow creativity and innovation from Service Providers, to define and present the maximum potential of this Site, in it meeting its potential capacity of functioning as a Communal Agricultural Hub.

The Study should, but not limited to, explore the ideal vegetation to be produced. The type that can be harvested in a shorter period of time,(e.g. Tomatoes, Spinach etc.) thus providing faster economic turnover. The Study should also consider other agricultural opportunities (e.g. Poultry Farming"layers and broilers" and other low scale Live Stock Farming).

3.2. Overall objective

The overall objective of the project is to secure the services of a suitable and experienced Service provider to undertake a feasibility study to determine the feasibility for the uMlazi J Agricultural Hub.

3.3. Specific objective

The specific objectives of the project are:

- To conduct consultation workshops with local SMME’s as per the categories mentioned above to investigate feasibility of the hub,
- To conduct site appraisal for specified existing site of Erf 2044, uMlazi J, and propose best option for accessibility to main trasport arterial routes and options to maximise density.
To conduct situational and market analysis illustrating the problem from a demand and supply perspective of the small business environment in uMlazi (J section to a greater extent).

To document the results in a feasibility report.

To form a project steering committee with key stakeholders (public & private sector)

4. SCOPE OF WORK

Specific Activities

4.1. Consultation workshops:-

- Identify all relevant stakeholders;
- Determine the perceived and anticipated interests from stakeholders and incorporate the anticipated roles and responsibilities that persons and interest groups would have in this project;
- Conduct a consultation workshop to discuss challenges facing small business in located in uMlazi, J section.
- Identify stakeholders to participate in the Project Steering Committee (PSC); and
- Initiate and maintain a practical stakeholder participation and consultation process through the subsequent phases.

4.2. Site appraisal

- Assess the existing levels of infrastructure and services with respect to the proposed site, in order to inform the levels of infrastructure required to be provided by the municipality;
- Review the proposed site and make recommendations with respect to zoning and environmental requirements, accessibility, ownership, institutional arrangements; viable type of agric hub
- Recommend the ideal size and composition, including preliminary designs, drawings and preliminary costs estimates to inform all costs associated with building/construction of the Agricultural facilities (physical structure and infrastructure, etc). Please note the piece of land and its topography.
- Recommend the economic infrastructure needed for the identified & proposed Agricultural facilities
4.3. Identify environmental assessment interventions:-

- Describe aspects of the environment that may be affected by the proposed hub;
- Describe the need and desirability of the proposed hub and any identified, feasible, reasonable alternatives, including advantages and disadvantages that the proposed facility and alternatives will have to the environment and community;
- Propose any environmental management and mitigation measures in favour of the proposed hub.
- Describe the type, shape form that the hub would take as a result of the environmental assessment
- Describe types of Agricultural facilities should be housed in the hub
- Describe what is the impact of the suggested facility to the adjacent and neighbouring school and the community
4.4. Conduct Economic Analysis:-

- Provide a market potential analysis that describes development prospects and niche market focus for the proposed centres, based on local market characteristics;
- Determine how can the immediate community benefit from the proposed Agricultural Hub
- Determine how can the Agricultural facilities unlock the business and economic potential for the Local Community
- Provide comments on how can the Agricultural Facility encourage entrepreneurship in the local community but also provide access to bigger economic markets
- Identify all risks and mitigating factors associated with this initiative including but not limited to financial, economic, business and social etc.

4.5. Institutional Development Analysis:-

- Assess and propose institutional arrangements that could have a positive influence in the implementation of the project.
- Identify key management structure to manage the facility for maintenance and operational purposes.
- Identify all risks and mitigating factors associated with this initiative including but not limited to financial, economic, business, social and environmental, etc.
- Identify and recommend measures to assist entrepreneurs with a range of development and support services
- Identify a letting criterion for interested or potential tenants.
- Workshop institutional arrangements with stakeholders with the aim of solidifying developmental values aligned with the municipality’s LED, IDP strategies such as poverty alleviation, job creation and SMME development.
- Propose options for a management model to optimise the financial viability of the centre and indicate how the management entity will be making income and how much subsidy should be granted to cover operations (Integrate the Agricultural Facilities produce into the mainstream economy and identify a suitable operational and governance structure for the Hub, including issues of maintenance)
5. OUTPUTS AND DELIVERABLES

5.1. Inception Report: (This should contain details on the overall approach, including any research methodologies to be applied, as well as details of the project team that will be responsible for execution of each stage of the project. Key timelines and budgets must be outlined in the inception report)

5.2. Draft Feasibility Report (that will include feasibility component of the study complete with analysis and recommendations; institutional and marketing plan; report outlining management and operational plan for the Agric Hub and implementation plan including any conceptualisation of the project under consideration).

5.3. Final Feasibility Study Report (that will include a final completed study report)

5.4. Detailed Accommodation Schedule with proposed total gross areas, full descriptions of spaces, itemised floor areas of spaces, indications of assignable areas & non assignable areas

6. ANTICIPATED TIME FRAMES

The proposed timeframe for the project is five (5) months.

7. REQUIREMENTS

7.1. Personnel

The Service Provider must comprise of a team that includes Long Term Experts (LTE) required to work a minimum of 70 days per annum as well as support staff with the requisite skills to fulfill the requirements of the Terms of Reference. The LTE should consist of the following:

7.1.1. Key Expert 1: Team Leader/Project Manager

- Must have an officially recognized qualification with majors in any of the following; Economics, Development Studies, Commerce, Engineering, Built Environment or Business Administration, Property development
- 5-10 years relevant experience in Local Economic Development, project development, market research, management and/or monitoring.
- Possess skills and competencies in the following areas: project development, management, and monitoring; time management; planning and organising; report writing; budgeting and financial
management in non-financial management capacity; presentation skills; communication and networking; good interpersonal relations; analytical thinking and problem solving; computer literacy.

- Knowledge of project and contract management; feasibility studies, sector studies, business plans, IDPs (integrated development plans), project financing, SWOT and LED Plans; partnerships for economic development; legislation, policy and strategy affecting local economic development; and research methodologies.

### 7.1.2. Key Expert 2: Architect

- The service provider should make provision for the use of an Architect for the fulfilment of the scope of work during the contract period as and when required.

### 7.1.3. Key Expert 3: Sector Specialist/Researcher

- The Sector Specialist must have an officially recognized qualification with majors in any of the following; Economics, Development Studies, Commerce, Town Planning or Business Administration with 3-5 years relevant experience with economic development.
- The Specialist should have a sound knowledge of business planning practices, market research, and financial analysis and budget preparation with experience in SMME/Cooperative development and property development economics.
- The Specialist should also have extensive experience in report writing and possess presentation skills.

### 7.2. Short Term Experts

- The service provider should make provision for the use of Short Term Experts (STE) for the fulfillment of the scope of work during the contract period as and when required.
- The STE is required to work for a maximum of 60 days per annum. The STE must consist of a multi-disciplinary team including and not limited to specialists in the following fields: Manufacturing, Auto Industry, Quantity Surveying, Property Management, Accounting, Engineering etc. depending on the activities and capacity of the team members.
- These team members should demonstrate the following key competencies:
  - Sufficient knowledge and expertise in order to accurately assess the factors that will impact
Terms of Reference: 7G-019 FEASIBILITY STUDY FOR UMLAZI J AGRICULTURAL HUB (ERF 2044, UMLAZI J SECTION)

- On the successful implementation of the project mentioned above.
- Be suitably qualified and experienced to provide detailed and specialist advice and information on the formulation of the abovementioned project.
8. THE ADJUDICATION PROCESS

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th>Max Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>STAGE 1</td>
<td></td>
</tr>
</tbody>
</table>

• ADHERENCE TO BRIEF/UNDERSTANDING OF TOR

1.1. Does the proposal clearly demonstrate good understanding of the brief? All key deliverables are distinctly identified and adequately address.

- Nil – No submission
- Poor (score 40%; 6 points) – The proposal shows limited understanding of the brief and project, has not adequately dealt with the key challenges.
- Satisfactory (score 70%; 10.5 points) – The brief is well understood, clearly articulated, and key components are adequately addressed. The proposal reflects necessary concepts but has insufficient detail for it to be distinctive.
- Good (score 90%; 13.5 points) – the proposal clearly demonstrates an understanding of the project’s brief. All key components are adequately addressed. It also reflects sufficient vision and detail to be distinctive.
- Very good (score 100%; 15 points) - A unique proposal that is strongly aligned to and identifiable with the project. It identifies and deals well with all the brief criteria and has the potential to leave a broader legacy

• METHODOLOGY/STRATEGY

Is the methodology innovative, detailed to adequately address all elements of the project and the technical approach stating how each will be executed?

- Nil – No submission
- Poor (score 40%; 14 points) –The technical approach and the methodology is poor/ is unlikely to satisfy the project objectives or requirements. The tenderer has misunderstood certain aspects of the scope of work and does not deal with the critical aspects of it. The methodology is unacceptable.
- Satisfactory (score 70%; 24.5 points) – The approach is generic and
The approach does not adequately deal with the critical characteristics of the project. The quality plan, manner in which risk is managed is too generic.

- **Good** (score 90%; 31.5 points) – The approach is specifically tailored to address the specific project objectives and methodology and is sufficiently flexible to accommodate changes that may occur during execution. The quality plan and approach to manage risk etc. is specifically tailored to the critical characteristics of the project. The methodology is reasonable.

- **Very good** (score 100%; 35 points) – Besides meeting the “good” rating, the important issues are approached in an innovative and efficient way, indicating that the tenderer has outstanding knowledge of the state-of-the-art approaches. The methodology is comprehensive.

### **EXPERTISE AND EXPERIENCE**

<table>
<thead>
<tr>
<th>Score</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>30</td>
<td>Does the service provider and team members have relevant and sufficient experience and expertise in projects of similar nature and scale? Does the service provider have capacity and experience to raise specified sponsorship?</td>
</tr>
</tbody>
</table>

- **Nil** – No submission

- **Poor** (score 40%; 14 points) – The team has limited relevant experience in projects of similar nature and has not taken a project of this magnitude. The proposed team is weak in important areas and is unlikely to deliver within the specified time frames.

- **Satisfactory** (score 70%; 24.5 points) – The tenderer has relevant experience in projects of similar nature but has not directly undertaken a project of this magnitude. Key personnel allocated to the project have reasonable relevant experience.

- **Good** (score 90%; 31.5 points) – The tenderer has extensive experience in projects of similar nature and has directly undertaken similar projects. The key personnel allocated have extensive relevant experience.

- **Very good** (score 100%; 35 points) – The tenderer has extensive and outstanding experience in projects of similar nature and has taken many such
projects. Key personnel allocated to the project have outstanding relevant experience.

### COHESIVENESS & SYNERGY (Capacity to deliver and capability)

<table>
<thead>
<tr>
<th>Score</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nil – No submission</td>
<td></td>
</tr>
<tr>
<td>Poor (score 40%; 4 points)</td>
<td>The operational plan is vague, and there is no clarity in terms of resources aligned to the project. It is unlikely that the plan will deliver all outcomes on time and within budget.</td>
</tr>
<tr>
<td>Satisfactory (score 70%; 7 points)</td>
<td>Operational plan is complete and reasonably detailed. Resources appear adequate. The plan will deliver all outcomes on time and within budget.</td>
</tr>
<tr>
<td>Good (score 90%; 9 points)</td>
<td>Besides meeting the ‘satisfactory’ rating, resources have been clearly defined and make provision for key risk areas.</td>
</tr>
<tr>
<td>Very good (score 100%; 10 points)</td>
<td>Besides meeting the ‘good’ rating, the plan makes provision for every eventuality.</td>
</tr>
</tbody>
</table>

### COST BREAKDOWN

<table>
<thead>
<tr>
<th>Score</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nil – No submission</td>
<td></td>
</tr>
<tr>
<td>Poor (score 40%; 6 points)</td>
<td>unacceptable proportion</td>
</tr>
<tr>
<td>Satisfactory (score 70%; 10.5 points)</td>
<td>adequate proportion</td>
</tr>
<tr>
<td>Good (score 90%; 13.5 points)</td>
<td>reasonable proportion</td>
</tr>
<tr>
<td>Very good (score 100%; 15 points)</td>
<td>fully in proportion</td>
</tr>
</tbody>
</table>

**TOTAL** | 100

The adjudication of proposals will be in terms of the example below:
Stage 2: Budget and Empowerment

<table>
<thead>
<tr>
<th>CRITERION</th>
<th>MAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>80</td>
</tr>
<tr>
<td>Broad – Based Black Economic Empowerment</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

BroadBased Black Economic Empowerment Points will be awarded to bidders in accordance with the table below:

<table>
<thead>
<tr>
<th>B-BBEE Status Level of Contributor</th>
<th>90/10 Point System</th>
<th>80/20 Point System</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>2</td>
<td>9</td>
<td>18</td>
</tr>
<tr>
<td>3</td>
<td>8</td>
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<tr>
<td>6</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>7</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>8</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Non-compliant contributor</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

9. COMMENCEMENT AND TERMINATION DATES

It is anticipated that delivery on the project be received within minimum stipulated timeframe. This must be presented to the Economic Development Unit of eThekwini Municipality and a final should be submitted once comments are obtained. This must be accepted by the Municipality before it is submitted to the Provincial Department for reviews.

Once the appointment has been made, the consultant has five (5) working days to hand in the inception report detailing the following:

- Implementation schedule with milestones

Deadlines must be met; failure to do so will result in penalties and ultimately in the termination of the contract.
10. FORMAT REQUIREMENTS FOR PROPOSALS.

- MS Word to be font size 11, Arial and a line spacing of 1.0
- Final report to be submitted in both hard-copy and electronic format
- Proposal and Report to be produced in A4 size

All information and reports produced as part of this work will remain the intellectual property of the eThekwini Municipality and no duplication; interpretation; re-use or copying of any kind, by the consultants or any other persons, is permitted without the consent of the Municipality.

11. COPYRIGHT ON DOCUMENTS

Intellectual Property

The data and intellectual property rights arising out of this process accrues to the eThekwini Municipality and cannot be used without prior permission from the Council. This includes all information related to the project.

12. PROJECT BUDGET AND DISBURSEMENT

The consultant is to prepare a detailed budget breakdown for the full scope of deliverables including all disbursements and VAT. Cost competitiveness and Empowerment will be scored in the final stage of adjudication. Allowance and estimates must be provided for any anticipated specialist studies. Previous studies already undertaken will be made available to the appointed consultant:

13. METHOD OF PAYMENT

Payment terms and contractual arrangements will be discussed with the selected service provider prior to a letter of appointment. Final payment will be paid on full completion of the project and the receipt of the final report.

14. SPECIFICATION AND PROCUREMENT PRIORITIES

The following requirements must be adhered to as part of the procurement process:

- Adherence to the brief: The proposal submitted should acknowledge and indicate that the brief is clearly understood, must show originality, and should warrant that the service provider has skills and ability to deliver on the project.
- Competency and experience: An indication of experience in similar projects and level of
Terms of Reference: 7G-019 FEASIBILITY STUDY FOR UMLAZI J AGRICULTURAL HUB (ERF 2044, UMLAZI J SECTION)

expertise in the project should be clearly stated.

- Capacity and capability: Capacity to deliver the required quality within the specific time frames without compromising the quality.
- PDI and BEE status: Company status in terms of empowerment PDI and BEE
- Price: Overall budget of the project. *(Filled in tender form and written in words and a number)*
- Registration with Municipality database: The service provider must be registered on the Municipality database and provide a PR number and a JDE registration number on the proposal.
- Submission: For copies of the proposals must be submitted and the service provider must attach the following documents to their proposals
  - Certificate of independent Bid Determination
  - Municipal Fees Declaration Form
  - Declaration of interest form
  - Empowerment profile (BBBEE Certificate)
  - A current tax clearance certificate.

These terms of reference are subject to any changes which may stem from a negotiation of the final terms with the consultant(s), as well as any additional budget which may be allocated to the project. Payment arrangements will be negotiated on the basis of the completion of project milestones and will be outlined in the letter of appointment. Final payment will be paid on full completion of the project and the receipt of the final report.

15. TAX CLEARANCE AND BROAD BASED BLACK ECONOMIC EMPOWERMENT CERTIFICATE

Proposals must include with their submission a valid Tax Clearance and Broad Based Black Economic Empowerment certificate (or a letter from the Company Auditors stating that the company’s turnover is less than R5 million).

*Submissions will not be accepted without a valid tax clearance and broad-based Black economic empowerment rating certificate (or a letter from the Company Auditors stating that the company’s turnover is less than R5 million).*

16. CONFIDENTIALITY

All the products must be made available in the way stated above and the following must also be noted:

- All data, information and concepts developed during this course of this appointment whether direct or incidental remains the property of the eThekwini Municipality;
- Information which would come out of this process is to be treated as confidential and can only be released with the permission of the eThekwini Municipality.
- The consultant is accountable to the Project Manager and will work under the direction of Economic Development
17. COMPULSORY CLARIFICATION MEETING
A compulsory clarification meeting will be held with all interested and qualifying service providers ON SITE, ERF 2044, uMlazi J section on 17th September 2018 11am-12pm. (GPS co-ordinates: 29°56'23.0"S 30°51'42.0"E)
Please note that only service providers that attend the meeting can submit proposals for consideration.

18. SUBMISSION OF PROPOSALS
Sealed proposals (including all required documentation) are to be hand delivered at the Tender Box located in the reception area, Corporate Procurement (Material Management), 133 Archie Gumede Place,(Formerly Old Fort Place),Durban, 4001 before 11h00, on 26th September 2018. All envelopes must be clearly marked "Request for Proposals 7G – 019 FEASIBILITY STUDY: UMLAZI J AGRICULTURAL HUB. No late submissions will be accepted.

19. PROPOSAL DEADLINE
Proposals must be submitted for consideration by: 26th September 2018, before 11H00.

Ms Dudu Ntombela
Economic Development Unit
ETHEKWINI MUNICIPALITY
Ph: 031-311 4098
Fax: 0866407856
Dududzile.Ntombela@durban.gov.za
Appendix
A. DECLARATION OF INTEREST
1. No bid will be accepted from persons in the service of the state.

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):.........................

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

If yes, furnish particulars..............................................................................................

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

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

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

If yes, furnish particulars
.................................................................................................................................
.................................................................................................................................

3.12. Are any of the company’s directors, trustees, managers, principle shareholders or stakeholders in service of the state? YES / NO

If yes, furnish particulars.
.................................................................................................................................
.................................................................................................................................

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

If yes, furnish particulars.
.................................................................................................................................
.................................................................................................................................

3.14. Do you or any of the directors, trustees, managers, principle 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:
.................................................................................................................................
.................................................................................................................................


Full Name    Identity Number State Employee Numbe
B. DECLARATION OF MUNICIPAL FEES

I/We do hereby declare that the Municipal fees of ______________________ (company name), are, as at the date of the tender closing, fully paid up, or arrangements have been concluded with the Municipality to pay the said fees:

ACCOUNT

ELECTRICITY

WATER

RATES

JSB LEVIES

OTHER

I acknowledge that should it be found that the Municipal fees are not up to date, the Council may take such remedial action as is required, including termination of contract, and any income due to the Contractor shall be utilised to offset any monies due to the Council.

_________________________  __________________________
Name                                                                     Signature

_________________________  __________________________
Designation                                                               Date
C. CERTIFICATE OF INDEPENDENT BID DETERMINATION

1. This Municipal Bidding Document (MBD) must form part of all bids¹ invited.

2. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a per se prohibition meaning that it cannot be justified under any grounds.

3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:

   a. take all reasonable steps to prevent such abuse;

   b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and

   c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the 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 (MBD9) 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.
MBD 9CERTIFICATE 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 Municipality / Municipal Entity)

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 word “competitor” shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

   a) has been requested to submit a bid in response to this bid invitation;
b) Could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
c) Provides the same goods and services as the bidder and/or is in the same line of business as the bidder.

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
   a) prices;
   b) Geographical area where product or service will be rendered (market allocation);
   c) methods, factors or formulas used to calculate prices;
   d) the intention or decision to submit or not to submit, a bid;
   e) The submission of a bid which does not meet the specifications and conditions of the bid; Or
   f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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.
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.
OFFICIAL TENDER FORM

In response to Tender Number: 7N-019 I / we hereby offer to supply the goods / services detailed hereunder in accordance with the Technical Specification, and subject to the Standard and Special Conditions of Tender (Goods/Services), and General and Special Conditions of Contract, which accompanied your Tender (with which I / we acknowledge myself / ourselves to be fully acquainted) at the price stated below, or in the case of individual rates are indicated in Bill Of Schedule of Rates / Activities.

<table>
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<th>QUOTATION PRICE EXCLUSIVE OF VAT</th>
<th>VAT AMOUNT</th>
<th>QUOTATION PRICE INCLUSIVE OF VAT</th>
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I / We hereby agree that this tender will hold good and remain open for acceptance as specified in the Conditions of Tender or during such other period as may be specified in the Special Conditions of Tender.

eThekwini Vendor Portal Registration Number: ________________________________
C.S.D Registration Number: ________________________________
S.A.R.S Pin Number: ________________________________

**Failure to complete the Mandatory Information and sign this Tender Form will invalidate the tender**