

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 (MBD 6.1)

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

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
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

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.

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) **“Locality”** means an enterprise whose head office or primary place of business or regional or satellite office is located within the boundaries of the Cape Winelands District Municipal Area or Western Cape Province

- (d) **“Proof of locality”** means a –
- 1) municipal account in the name of the tenderer not older than 90 days;
 - 2) lease agreement where the tenderer is the lessee; or
 - 3) an official letter from the bank confirming the registered business address of the tenderer;
- (e) **“Proof of B-BBEE status level of contributor”** means the B-BBEE status level certificate issued by an authorised body or person, a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act.
- (f) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (g) **“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
- (h) **“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 OR 90/10 PREFERENCE POINT SYSTEMS

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

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right) \text{ or } Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

$$Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$$

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = Price of highest 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:

- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system, then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

(Note to organs of state: Where either the 90/10 or 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. (90/10 system)	Number of points Allocated. (80/20 system)	Number of points claimed. (90/10 system)	Number of points claimed (80/20 system)
	(To be completed by the organ of state)		(To be completed by the tenderer)	
B-BBEE status level of contributor	5	10		
The promotion of enterprises located in the Western Cape Province for work to be done or services to be rendered in that province;	2.5	5		
The promotion of enterprises located in the Cape Winelands District Municipal area for work to be done or services to be rendered in that municipal area	2.5	5		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
 - One-person business/sole propriety
 - Close corporation
 - Public Company
 - Personal Liability Company
 - (Pty) Limited
 - Non-Profit Company
 - State Owned Company
- [TICK APPLICABLE BOX]

4.6. 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, qualifies 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.

Name and surname

Signature(s) of bidder(s).....

Date.....

Address.....

.....

B-BBEE Contributor Certificate



This Affidavit is issued in terms of Notice 408 of 2015, published in the Government Gazette No.38766 on 06 May 2015, whereby the revised Codes of Good Practice was issued under section 9(1) of the Broad-Based Black Economic Empowerment Amendment Act (Act No. 46 of 2013), by Dr Rob Davies, Minister of Trade and Industry and whereby this enterprise is eligible as an Exempted Micro Enterprise (EME) or Qualifying Small Enterprise (QSE) in terms of paragraph 2 of STATEMENT 004: SCORECARDS OF SPECIALISED ENTERPRISES as per said Notice. (Follow the instructions on the reverse of this document and mark the applicable blocks)

Name of Entity/Company:

Company Reg. No:

VAT Reg. No.

Type of Entity:
(Sole Proprietor/Partnership/Closed Corporation/Company)

Address:

I, , in my capacity as owner/partner/member/
(Full names and surname)

director of
(Full name of Business/Partnership/Closed Corporation/Company)

do hereby make an oath that:

1. The business/partnership/company qualifies as an: EME / QSE
2. The Annual Total Revenue of the above mentioned business/company is less than: R 10 Million
R 50 Million
3. The level of Black ownership is: %
4. The level of Black Woman ownership is: %
5. The business/partnership/company is therefore a LEVEL
 1 2 4 CONTRIBUTOR, having a B-BBEE RECOGNITION OF %.

Signature: Owner/Partner/Member/Director:

ID.No:

Date

Certificate is valid for 12 (Twelve) months from this date.

Signed and sworn/solemnly affirmed before me on the date and the place set out below, by the deponent who indicated that he/she knows and understands the content of this statement and the applicable Act; has no objection to making the oath/solemn affirmation, and regards such as binding on his/her conscience.

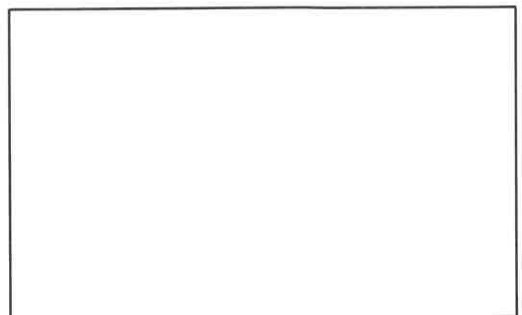
Signature: Commissioner of Oaths:

Full names:

Position:

Tel:

Address:



Official Stamp

Extract from Notice 1019 of 2013, published in the Government Gazette no 36928 on 11 October 2013, whereby the revised Codes of Good Practice (the codes) was issued under section 9(1) of the Broad-Based Black Economic Empowerment Act (Act No. 53 of 2003), by Dr Rob Davies, Minister of Trade and Industry.

4. ELIGIBILITY AS AN EXEMPTED MICRO ENTERPRISE (EME)

- 4.1 Any enterprise with an annual **Total Revenue of R10 Million or less** qualifies as an Exempted Micro-Enterprise.
- 4.2 An Exempted Micro-Enterprise is deemed to have a B-BBEE Status of “**Level Four Contributor**” having a B-BBEE recognition level of **100%** under paragraph 8.2.
- 4.3 Enhanced B-BBEE recognition level for an Exempted Micro-Enterprise:
 - 4.3.1 Despite paragraphs 4.2 an EME which is **100% Black owned** qualifies for elevation to “**Level One Contributor**” having a B-BBEE recognition level of **135%**.
 - 4.3.2 Despite paragraph 4.2 and 4.3.1, an EME which is **at least 51% Black owned** qualifies for elevation to “**Level Two Contributor**” having a B-BBEE recognition level of **125%**.
- 4.4 Despite paragraphs 4.2 and 4.3, an EME is allowed to be measured in terms of the QSE scorecard should they wish to maximise their points and move to a higher B-BBEE recognition level.
- 4.5 An EME is only required to obtain a sworn affidavit on an annual basis, confirming the following:
 - 4.5.1 Annual Total Revenue of R10 million or less; and
 - 4.5.2 Level of Black ownership.
- 4.6 Any misrepresentation in terms of Para 4.5 above constitutes a criminal offence as set out in the B-BBEE Act as amended.

5. ELIGIBILITY AS A QUALIFYING SMALL ENTERPRISES (QSE)

- 5.1 A Measured Entity with an **annual Total Revenue of between R10 million and R50 million** qualifies as a Qualifying Small Enterprise.
- 5.2 A QSE must comply with all of the elements of B-BBEE for the purposes of measurement.
- 5.3 Enhanced B-BBEE recognition level for QSE:
 - 5.3.1 A Qualifying Small Enterprise which is **100% Black owned** qualifies for a **Level One B-BBEE** recognition level of **135%**.
 - 5.3.2 A QSE which is **at least 51% Black owned** qualifies for **Level Two B-BBEE** recognition level of **125%**.
 - 5.3.3 A QSE is only required to obtain a sworn affidavit on an annual basis, confirming the following:
 - 5.3.3.1 Annual Total Revenue of R50 million or less; and
 - 5.3.3.2 Level of Black ownership.
- 5.4 Any misrepresentation in terms of Para 5.3 above constitutes a criminal offence as set out in the B-BBEE Act as amended.

6. START-UP ENTERPRISES

- 6.1 Start-up Enterprise must be measured as an Exempted Micro-Enterprise under this statement *for the first year following their formation or incorporation*. This provision applies *regardless* of the expected *total revenue* of the Start-up Enterprise.
- 6.2 Start-up Enterprise is deemed to have the qualifying B-BBEE Status in accordance with the principles of paragraph 4 of this Statement.
- 6.3 In order to qualify as a Start-up Enterprise, the enterprise must provide an independent confirmation of its status in accordance with paragraph 4.5.
- 6.4 Despite paragraph 6.1 and 6.2, a Start-up Enterprise must submit a QSE scorecard when tendering for any contract, or seeking any other economic activity covered by Section 10 of the Act, with a value higher than R10 million but less than R50 million. For contracts of R50 million or more they should submit the Generic scorecard. The preparation of such scorecards must use annualised data.