

## SPECIFIC GOALS

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 goals.

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS AND DEFINITIONS**

### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- 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

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the **80/20 preference point system** shall be applicable

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) Specific goals.

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

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and Specific goals must not exceed	100

1.5 Failure on the part of a bidder to submit the required documents to substantiate the points claimed with the bid, will be interpreted to mean that points for specific goals are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to specific goals in any manner required by the purchaser.

### 2. DEFINITIONS

(a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act.

(b) **“Specific goals”** means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development

Programme as published in *Government Gazette* No. 16085 dated 23 November 1994

- (c) **“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 goods or services, through price quotations, advertised competitive bidding processes or proposals.
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

### 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

#### 3.1 POINTS AWARDED FOR PRICE (the 80/20 or 90/10 preference point systems)

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

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \mathbf{Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)}
 \end{array}$$

Where

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

### 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:

**80/20**

**or**

**90/10**

$$P_s = 80 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right) \text{ or } P_s = 90 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right)$$

Where

$P_s$  = Points scored for price of bid under consideration

$P_t$  = Price of bid under consideration

$P_{max}$  = Price of highest acceptable bid

### 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1 In terms of Regulation 3 (1) an organ of state must, in the tender documents, stipulate the specific goal in the invitation to submit the tender for which a point may be awarded, and the number of points that will be awarded to each goal, and proof of the claim for such goal.

SPECIFIC GOAL	MAXIMUM NUMBER OF POINTS FOR (80/20 PREFERENCE SYSTEM)	NUMBER OF POINTS (90/10 PREFERENCE SYSTEM)
<b>Small business development</b>  5 points: EME (Turnover less than R10 million 3 points: QSE (Turnover higher than R10 million less than R50million)	5	N/A
<b>Ownership</b>  5 points :100% black owned. 4 points: At least 51% black owned	5	N/A
<b>Women ownership</b>  4 points: 100% women owned. 3 points: At least 51% women owned. 2 points: Less than 51% women owned.	4	N/A
<b>Youth ownership</b>  4 points: 100% youth owned.	4	N/A

3 points: At least 51% of youth owned.		
2 points: Less than 51% youth owned		
<b>Ownership by Persons with Disabilities</b>	2	N/A
2 points: Any ownership by persons with disabilities		

## 5. BID DECLARATION

5.1 Bidders who claim points in respect of specific goals must complete the following:

<b>SPECIFIC GOAL</b>	<b>NUMBER OF POINTS FOR (80/20 PREFERENCE SYSTEM)</b>	<b>NUMBER OF POINTS (90/10 PREFERENCE SYSTEM)</b>
<b>Small business development</b> 5 points: EME (Turnover less than R10 million 3 points: QSE (Turnover higher than R10 million less than R50million		N/A
<b>Ownership</b> 5 points :100% black owned. 4 points: At least 51% black owned		N/A
<b>Women ownership</b> 4 points: 100% women owned. 3 points: At least 51% women owned. 2 points: Less than 51% women owned.		N/A
<b>Youth ownership</b> 4 points: 100% youth owned. 3 points: At least 51% of youth owned. 2 points: Less than 51% youth owned		N/A
<b>Ownership by Persons with Disabilities</b> 2 points: Any ownership by persons with disabilities		N/A

## 6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 3.1

6.1 Specific goals: = ..... (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 6.1 must be in accordance with the table reflected in paragraph 3.1 and must be substantiated by submitting the required documents.

**7. DECLARATION WITH REGARD TO COMPANY/FIRM**

7.1 Name ..... of  
company/firm:.....

7.2 VAT ..... registration  
number:.....

7.3 Company ..... registration  
number:.....

**7.4 TYPE OF COMPANY/ FIRM**

- ☐ Partnership/Joint Venture / Consortium
  - ☐ One person business/sole propriety
  - ☐ Close corporation
  - ☐ Company
  - ☐ (Pty) Limited
- [TICK APPLICABLE BOX]

**7.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....  
 .....  
 .....

## 7.6 COMPANY CLASSIFICATION

- ☐ Manufacturer  
☐ Supplier  
☐ Professional service provider  
☐ Other service providers, e.g. transporter, etc.  
 [TICK APPLICABLE BOX]

7.7 Total number of years the company/firm has been in business:.....

7.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals indicated in paragraphs 1.4 and 5.1 of the foregoing certificates, qualifies the company/ firm for the preference(s) shown and I / we 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 5.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct.
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

### WITNESSES

1. ....
2. ....

.....  
 SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

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