



**T34/10/20**

**APPOINTMENT OF A PANEL OF SERVICE  
PROVIDERS FOR  
LAND & BUILDINGS VALUATION,  
PLANT, EQUIPMENT & MACHINERY  
VALUATION,  
TANGIBLE ASSETS VERIFICATION,  
TAGGING & VALUATION**

**BID CLOSING DATE:  
30 OCTOBER 2020 AT 11:00 AM**

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**SECTION 1: GENERAL CONDITIONS OF BID**

## 1. Proprietary Information

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Industrial Development Corporation of SA Ltd (IDC) considers this Request for Proposal (RFP) and all related information, either written or verbal, which is provided to the respondent, to be proprietary to IDC. It shall be kept confidential by the respondent and its officers, employees, agents and representatives. The respondent shall not disclose, publish, or advertise this RFP or related information to any third party without the prior written consent of IDC.

## 2. Enquiries

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- 2.1 All communication and attempts to solicit information of any kind relative to this RFP should be channelled **in writing** to:

Name: Mr Luyanda Dlamini  
Telephone Number: Office: +27 11 269 3767  
Email address: [luyandad@idc.co.za](mailto:luyandad@idc.co.za)

- 2.2 Enquiries in relation to this RFP will not be entertained after **16h00 on 23 October 2020**.
- 2.3 The enquiries will be consolidated and IDC will issue one response and such response will be posted, within two days after the last day of enquiries, onto the IDC website ([www.idc.co.za](http://www.idc.co.za)) under tenders i.e. next to the same RFP document.
- 2.4 The IDC may respond to any enquiry in its absolute discretion and the bidder acknowledges that it will have no claim against the IDC on the basis that its bid was disadvantaged by lack of information, or inability to resolve ambiguities.

## 3. Bid Validity Period

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Responses to this RFP received from bidders will be valid for a period of **120** days counted from the bid closing date.

## 4. Instructions on submission of Bids

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- 4.1 Bid responses must be submitted in electronic format only and must be e-mailed to the dedicated e-mail address as provided herein.
- 4.2 Bid responses should be in generally acceptable / standard electronic file format/s (i.e. Microsoft suite of products or pdf) to enable access thereto by the IDC for purposes of evaluating responses received. Where documents are presented in a format which cannot be accessed by the IDC through generally acceptable formats, such bid response will be disqualified.
- 4.3 The closing date for the submission of bids is **30 October 2020** not later than **11:00 AM (before midday)**. No late bids will be considered. Bids must **only** be sent to [tenders@idc.co.za](mailto:tenders@idc.co.za). Bids sent to any other email address other than the one specified herein will be disqualified and will not be considered for evaluation. It is the bidder's responsibility to ensure that the bid is sent to the correct email address and that this is **received** by the IDC before the closing date and time in IDC's dedicated tender e-mail inbox / address ( [tenders@idc.co.za](mailto:tenders@idc.co.za) ).
- 4.4 Bidders are advised to submit / send its bid responses at least 15 minutes before the 11:00AM deadline to avoid any Information Technology (IT) network congestions or

technical challenges in this regard which may result in bid responses being received late. IDC's e-mail servers are configured to receive e-mails with sizes up to 50MB.

- 4.5** The IDC will not be held responsible for any of the following:
- 4.5.1 bid responses sent to the incorrect email address;
  - 4.5.2 bid responses being inaccessible due to non-standard electronic file formats being utilised to submit responses by bidders;
  - 4.5.3 any security breaches and unlawful interception of tender / bid responses by third parties outside the IDC's IT network domain;
  - 4.5.4 bid responses received late due to any IT network related congestions and/or technical challenges; and
  - 4.5.5 bid responses with file size limits greater than IDC's e-mail receipt capacity of 50MB.
- 4.6** Only responses received via the specified email address will be considered.
- 4.7** Where a complete (Inclusive of all Schedules) bid response is **not received** by the IDC in its electronic email tender box ([tenders@idc.co.za](mailto:tenders@idc.co.za)) by the closing date and time, such a bid response will be regarded as incomplete and late. Such late and / or incomplete bid will be disqualified. **It is the IDC's policy not to consider late bids for tender evaluation.**
- 4.8** Amended bids may be sent to the electronic tender box ([tenders@idc.co.za](mailto:tenders@idc.co.za)) **marked** "Amendment to bid" and should be received by the IDC **before** the closing date and time of the bid.

## **5. Preparation of Bid Response**

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- 5.1** All the documentation submitted in response to this RFP must be in English.
- 5.2** The bidder is responsible for all the costs that it shall incur related to the preparation and submission of the bid document.
- 5.3** Bids submitted by bidders which are, or are comprised of companies must be signed by a person or persons duly authorised thereto by a resolution of the applicable Board of Directors, a copy of which Resolution, duly certified, must be submitted with the bid.
- 5.4** The bidder should check the numbers of the pages of its bid to satisfy itself that none are missing or duplicated. No liability will be accepted by IDC in regard to anything arising from the fact that pages of a bid are missing or duplicated.
- 5.5** Bidder's tax affairs with SARS must be in order (tax compliant status) and bidders must provide written confirmation to this effect as part of their tender response.

## **6. Supplier Performance Management**

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Supplier Performance Management is viewed by the IDC as a critical component in ensuring value for money acquisition and good supplier relations between the IDC and all its suppliers.

The successful bidder shall upon receipt of written notification of an award, be required to conclude a Service Level Agreement (SLA) with the IDC, which will form an integral part of the supply agreement. The SLA will serve as a tool to measure, monitor and assess the supplier performance and ensure effective delivery of service, quality and value-add to IDC's business.

Successful bidders will be required to comply with the above condition, and also provide a scorecard on how their product / service offering is being measured to achieve the objectives of this condition.

## **7. Enterprise and Supplier Development**

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The IDC promotes enterprise development. In this regard, successful bidders may be required to mentor SMMEs and/ or Youth-Owned businesses. The implications of such arrangement will be subject to negotiations between the IDC and the successful bidder.

## 8. IDC's Rights

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- 8.1 The IDC is entitled to amend any bid condition, bid validity period, RFP specification, or extend the bid closing date, all before the bid closing date. All bidders, to whom the RFP documents have been issued and where the IDC have record of such bidders, may be advised in writing of such amendments in good time and any such changes will also be posted on the IDC's website under the relevant tender information. All prospective bidders should therefore ensure that they visit the website regularly and before they submit their bid response to ensure that they are kept updated on any amendments in this regard.
- 8.2 The IDC reserves the right not to accept the lowest priced bid or any bid in part or in whole. It normally awards the contract to the bidder who proves to be fully capable of handling the contract and whose bid is functionally acceptable and/or financially advantageous to the IDC.
- 8.3 The IDC reserves the right to award this bid as a whole or in part.
- 8.4 The IDC reserves the right to conduct site visits at bidder's corporate offices and / or at client sites if so required.
- 8.5 The IDC reserves the right to consider the guidelines and prescribed hourly remuneration rates for consultants as provided in the **National Treasury Instruction 01 of 2013/2014: Cost Containment Measures**, where relevant.
- 8.6 The IDC reserves the right to request all relevant information, agreements and other documents to verify information supplied in the bid response. The bidder hereby gives consent to the IDC to conduct background checks, including FICA verification, on the bidding entity and any of its directors / trustees / shareholders / members.
- 8.7 The IDC reserves the right, at its sole discretion, to appoint any number of vendors to be part of this panel of service providers.
- 8.8 The IDC reserves the right of final decision on the interpretation of its tender requirements and responses thereto.

## 9. Undertakings by the Bidder

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- 9.1 By submitting a bid in response to the RFP, the bidder will be taken to offer to render all or any of the services described in the bid response submitted by it to the IDC on the terms and conditions and in accordance with the specifications stipulated in this RFP document.
- 9.2 The bidder shall prepare for a possible presentation should IDC require such and the bidder will be required to make such presentation within five (5) days from the date the bidder is notified of the presentation. Such presentation may include a practical demonstration of products or services as called for in this RFP.
- 9.3 The bidder agrees that the offer contained in its bid shall remain binding upon him/her and receptive for acceptance by the IDC during the bid validity period indicated in this RFP and its acceptance shall be subject to the terms and conditions contained in this RFP document read with the bid.
- 9.4 The bidder furthermore confirms that he/she has satisfied himself/herself as to the correctness and validity of his/her bid response; that the price(s) and rate(s) quoted cover all the work/item(s) specified in the bid response documents; and that the price(s) and rate(s) cover all his/her obligations under a resulting contract for the services



contemplated in this RFP; and that he/she accepts that any mistakes regarding price(s) and calculations will be at his/her risk.

- 9.5** The successful bidder accepts full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under the supply agreement and SLA to be concluded with IDC, as the principal(s) liable for the due fulfilment of such contract.
- 9.6** The bidder accepts that all costs incurred in the preparation, presentation and demonstration of the solution offered by it shall be for the account of the bidder. All supporting documentation and manuals submitted with its bid will become IDC property unless otherwise stated by the bidder/s at the time of submission.

## **10. Reasons for disqualification**

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- 10.1** The IDC reserves the right to disqualify any bidder which does any one or more of the following, and such disqualification may take place without prior notice to the offending bidder, however the bidder will be notified in writing of such disqualification:
- 10.1.1 bidders who do not submit an original valid Tax Clearance Certificate and / or proof of application of such as endorsed by SARS on the closing date and time of the bid submission and / or failure to provide the IDC with its SARS issued Tax Verification PIN code giving access to the IDC to electronically verify tax compliance;
- 10.1.2 bidders who submit incomplete information and documentation according to the requirements of this RFP document;
- 10.1.3 bidders who submit information that is fraudulent, factually untrue or inaccurate information;
- 10.1.4 bidders who receive information not available to other potential bidders through fraudulent means;
- 10.1.5 bidders who do not comply with any of the **mandatory requirements** as stipulated in the RFP document;
- 10.1.6 bidders who fail to comply with FICA requirements

## **11. Local Production and Content**

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The IDC promotes Local Production and Content. In the case of designated sectors, only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered. IDC reserves the right at its sole discretion to set minimum thresholds for sectors which may not have been declared as designated sectors by the dti in an effort to stimulate local production and content where relevant.

Bidders are required to assess their product and /or service offering against the designated sector lists as published by the Department of Trade and Industry (the **dti**) and to ensure full compliance to the minimum local content threshold, if relevant, before submitting its response to this tender. The **dti's** latest list of designated sectors can be accessed on: [http://www.dti.gov.za/industrial\\_development/ip.jsp](http://www.dti.gov.za/industrial_development/ip.jsp).

## 12. Returnable Schedules

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Bidders shall submit their bid responses in accordance with the returnable schedules specified below (each schedule must be clearly marked):

**12.1 Cover Page:** (the cover page must clearly indicate the RFP reference number, bid description and the bidder's name)

**12.2 Schedule 1:**

12.2.1 Executive Summary (explaining how you understand the requirements of this RFP and the summary of your proposed solution)

12.2.2 Annexure 1 of this RFP document (duly completed and signed)

**12.3 Schedule 2**

12.3.1 Valid Tax Clearance Certificate(s) (TCC) and / or proof of application as endorsed by SARS and / or SARS issued tax verification pin code;

12.3.2 Originally certified copies of bidder's CIPC company registration documents listing all members with percentages, in case of a CC.

12.3.3 Copy of Board Resolution, duly certified;

12.3.4 Originally certified copy of ID document for the Company Representative

12.3.5 Annexure 2 of this RFP document (duly completed and signed);

12.3.6 Annexure 3 of this RFP document (duly completed and signed);

12.3.7 Annexure 4 of this RFP document (duly completed and signed);

12.3.8 Annexure 7 of this RFP document (duly completed and signed);

12.3.9 Annexure 6 of this RFP document (duly completed and signed);

12.3.10 Annexure 7 of this RFP document (duly completed and signed);

12.3.11 Response to Annexure 8: BEE Commitment Plan

12.3.12 Bidders must submit a B-BBEE verification certificate indicating the contribution level of the bidding entity. For Exempted Micro Enterprises (EME) with an annual revenue of less than R10 million and Qualifying Small Enterprises (QSE) with an annual revenue of between R10 million and R50 million per annum, a sworn affidavit confirming the annual total revenue and level of black ownership may be submitted. Any misrepresentation in terms of the declaration constitutes a criminal offence as set out in the B-BBEE Act as amended.

**Note: If a bidder is a Consortium, Joint Venture or Prime Contractor with Subcontractor(s), the documents listed above must be submitted for each Consortium/ JV member or Prime Contractor and Subcontractor(s).**

12.3.13 Annexure 9 of this RFP document (duly completed and signed, **if relevant**);

12.3.14 Statement of Financial Position of the Bidder: Latest Audited Financial Statements (where applicable in terms of the Company's Act) and/or independently reviewed financial statements and/or Cashflow Budget for new entities with no financial records.

12.3.15 Copy of Joint Venture/ Consortium/ Subcontracting Agreement duly signed by all parties (if applicable)

## 12.4 Schedule 3:

- 12.4.1 Response to Section 3 of this document, in line with the format indicated in this RFP document.
- 12.4.2 Annexure 7 of this RFP document, duly completed and signed

## 12.5 Schedule 4: Price Proposal (response to Section 4 of this RFP document) *(Must be submitted as a separate file/document marked Schedule 4: Price Proposal)*

## 13. Evaluation Criteria and Weightings

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Bids shall be evaluated in terms of the following process:

### 13.1 Phase 1: Initial Screening Process: During this phase, bid responses will be reviewed for purposes of assessing compliance with RFP requirements including the general bid conditions and also the Specific Conditions of Bid, which requirements include the following:

- Submission of a valid Tax Clearance Certificate as referenced in 12.3.1 above
- Submission of Company Registration Forms as referenced 12.3.2 above
- Submission of ID copy for the Company Representative as referenced in 12.3.4 above
- BEE Status Certification as referenced in 12.3.12 above and the consideration of the Specific Bid Conditions as referenced in Section 2
- Completion of all Standard Bidding Documents and other requirements, as reflected in this RFP, which covers the following:
  - Section 3: Statement of compliance with the Functional Evaluation Criteria for this RFP
  - Section 4: Cost Proposal and Price Declaration Form
  - Annexure 1: Acceptance of Bid Conditions
  - Annexure 2: Tax Compliance Requirements
  - Annexure 3: Supply Chain Management Questionnaire
  - Annexure 4: Declaration of Interest
  - Annexure 7: Certificate of Independent Bid Determination
  - Annexure 6: Shareholders' Information/ Group Structure
  - Annexure 7: Bidders Experience & Project Team
  - Annexure 8: BEE Commitment Plan
  - Annexure 9: Disclosure Statement
  - Annexure 10: Local Content Declaration (If Relevant)

Failure to comply with the requirements assessed in Phase 1 (compliance), may lead to disqualification of bids.

## 13.2 Phase 2: Technical / Functionality Evaluation

Bid responses will be evaluated in accordance with the Functional criteria as follows:

### 13.2.1 Other Functional / Technical Requirements

With regards to the other Functional / Technical Requirements, the following criteria (set out in more detail in section 3 of this RFP document) and associated weightings will be applicable:

#### 13.2.1.1 TECHNICAL REQUIREMENTS FOR LAND & BUILDING VALUATION:

##### Criteria for Small and Medium Sized Entities:

<b>ELEMENT</b>	<b>WEIGHT</b>
Bidder's Relevant Experience	50%
Qualification and Skills of Proposed Team	30%
Systems, Tools and Processes	20%
<b>TOTAL</b>	<b>100%</b>

**Note: The minimum qualifying score for functionality is 70%. All bidders that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and BEE.**

##### Criteria for Large Entities:

<b>ELEMENT</b>	<b>WEIGHT</b>
Bidder's Relevant Experience	40%
Qualifications and Skills of Proposed Team	30%
System, Tools and Processes	30%
<b>TOTAL</b>	<b>100%</b>

**Note: The minimum qualifying score for functionality is 70%. All bidders that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and BEE**

**13.2.1.2 TECHNICAL REQUIREMENTS FOR PLANT, EQUIPMENT & MACHINERY VALUATION:**

**Criteria for Small and Medium Sized Entities:**

<b>ELEMENT</b>	<b>WEIGHT</b>
Bidder's Relevant Experience	50%
Qualification and Skills of Proposed Team	30%
Systems, Tools and Processes	20%
<b>TOTAL</b>	100%

**Note: The minimum qualifying score for functionality is 70%. All bidders that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and BEE.**

**Criteria for Large Entities:**

<b>ELEMENT</b>	<b>WEIGHT</b>
Bidder's Relevant Experience	40%
Qualifications and Skills of Proposed Team	30%
System, Tools and Processes	30%
<b>TOTAL</b>	100%

**Note: The minimum qualifying score for functionality is 70%. All bidders that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and BEE**

**13.2.1.3 TECHNICAL REQUIREMENTS FOR TANGIBLE ASSETS VERIFICATION, TAGGING AND VALUATION (FOR SMALL AND MEDIUM SIZED ENTITIES ONLY):**

**Criteria for Small and Medium Sized Entities:**

<b>ELEMENT</b>	<b>WEIGHT</b>
Bidder's Relevant Experience	50%
Qualification and Skills of Proposed Team	30%
Systems, Tools and Processes	20%
<b>TOTAL</b>	100%

**Note: The minimum qualifying score for functionality is 70%. All bidders that fail to achieve the minimum qualifying score on functionality shall not be considered for further evaluation on Price and BEE.**

### 13.3 Phase 3: Preference Point System

All bids that achieve the minimum qualifying score for Functionality (acceptable bids) will be evaluated further in terms of the preference point system, as follows:

<b>CRITERIA</b>	<b>POINTS</b>
Price	80
B-BBEE	20
<b>TOTAL</b>	<b>100 points</b>

### 14. Promotion of Emerging Black owned Service Providers

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It is the IDC's objective to promote transformation across all industries and/ or sectors of the South African economy and as such, bidders are encouraged to partner with a black owned entity (being 50%+1 black owned and controlled). Such partnership may include the formation of a Joint Venture and/ or subcontracting agreement etc., where a portion of the work under this tender would be undertaken by black owned entities. To give effect to this requirement, bidders are required to submit a partnership / subcontracting proposal detailing the portion of work to be outsourced, level of involvement of the black owned partner and where relevant, submit a consolidated B-BBEE scorecard in-line with the provisions of the PPPFA Regulations which will be considered as part of the B-BBEE scoring listed in 13.3.

## **SECTION 2: SPECIFIC CONDITIONS OF BID**

## **1. Bid Pre-qualification criteria**

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- 1.1 In terms of Regulation 4 of the 2017 PPPFA Regulations, the IDC requires that bidders meet the following pre-qualification criteria:
  - (a) Bidders must have a minimum B-BBEE contributor status level of 4 or better.
- 1.2 The IDC will only consider a bid if the relevant bidder meets these pre-qualification criteria. Where a bidder fails to meet these pre-qualification criteria, the bid will be considered an unacceptable bid and will be disqualified from further evaluation.



**SECTION 3: FUNCTIONAL REQUIREMENTS SPECIFICATION**

## **SECTION 3: FUNCTIONAL REQUIREMENTS SPECIFICATION**

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### **1. SPECIAL INSTRUCTIONS TO BIDDERS**

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- 1.1 Should a bidder have reason to believe that the Functional Requirements are not open/fair and/or are written for a particular service provider; the bidder must notify IDC Procurement within five (5) days after publication of the RFP.
- 1.2 Bidders shall provide full and accurate answers to the questions posed in this RFP document, and, where required explicitly state either "Comply/Not Comply" regarding compliance with the requirements. Bidders **must** substantiate their response to all questions, including full details on how their proposal/solution will address specific functional/ technical requirements; failure to substantiate may lead to the bidder being disqualified. All documents as indicated must be supplied as part of the bid response.
- 1.3 Failure to comply with Mandatory Requirements may lead to the bidder being disqualified.

### **2. BACKGROUND INFORMATION**

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The Industrial Development Corporation of South Africa Limited (IDC) is actively involved in the financing of enterprises which are geographically spread across South Africa and the rest of Africa. In order to ensure that the IDC financing activities are adequately secured, the underlying physical assets taken/considered for security and/or shareholder's contribution have to be accurately valued.

The physical assets, which are, to be valued would generally be in industrial and commercial sectors, which are not limited to the following:

- Industrial buildings such as warehouses, manufacturing or processing plants/factories etc.;
- Healthcare facilities such as specialised medical facilities, medical equipment manufacturing plant etc.;
- Leisure such as recreational facilities, lifestyle farming, hotels, guesthouses and lodges;
- Specialised properties such as mines and quarries, mining rights;
- Agriculture such as livestock, game and dairy, permanent crops, winery, cash crops, silos, cold storage, packing houses;
- Service stations;
- Meat processing plants i.e. abattoirs;
- Energy: Renewable Energy Independent Power Producer assets i.e. solar, wind power etc.; and
- Transport: Road, air and water vessels.

The IDC wishes to establish a panel of preferred service providers to be engaged on an ad hoc basis to render valuation services.

Bidders may choose to bid for one or more categories. The bidder must indicate, in the table below, with a tick (✓) the category they are bidding for:

SERVICE CATEGORIES		PLEASE TICK (✓)
1.	Land and Building Valuation	
2.	Plant, Equipment and Machinery (PEM) Valuation	
3.	Asset Verification, Tagging and Valuation	

Bidder may be expected to provide mentorship and skills transfer to the IDC valuers on an ad hoc basis

**Note: Each category has its own evaluation criteria. Bidders must ensure that they provide the required response/information for each category they are bidding for.**

### 3. OBJECTIVES

3.1 The IDC's primary objective is to maintain an accurate, reliable, relevant and detailed collateral register that can:

- Stand as legal proof of collateral and/or ownership of the assets;
- Enable timeous decision making to relevant stakeholders; and
- Enable funded assets verification and identification.

### 4. SPECIFIC OBJECTIVE OF THE TENDER

The IDC would also like to promote broad-based transformation and development of small and medium entities, which provide the required services across different sectors and as such will appoint bidders in the following categories.

The bidder must indicate, in the table below, with a tick (✓) their relevant **entity size**:

ENTITY CATEGORIES	DEFINITION	PLEASE TICK (✓)
Category 1: Small Entities	Entity with an annual turnover of not more than R10 million	
Category 2: Medium Entities	Entity with an annual turnover greater than R10 million but below R50 million	
Category 3: Large Entities	Entity with an annual turnover greater than R50 million	

**Note: The bidder must submit their latest Financial Statements as proof of their annual turnover as confirmed by an independent accountant. Small businesses with no financial history, must submit a letter from their independent accounting firm confirming their financial status and/or projections.**

**It is for this purpose that the IDC will be using different evaluation criteria's for the small and medium sized entities as depicted in Section 3 (A), Section 3 (C) and Section 3 (E) of this document and a different set of evaluation criteria applicable to large entities as depicted in Section 3 (B) and Section 3 (D) of this document**

## **5. LAND AND BUILDING VALUATION**

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### **5.1 SCOPE OF WORK**

The appointed service provider/s will be required to provide Land and Building Valuation services as per sectors listed under the background information above.

Additionally, the appointed service provider/s will be required to provide on/off site mentorship and support to the Candidate Valuers and also Professional Valuers from time to time when needed. The scope of work shall include but not limited to mentorship on valuation covering valuation of Land and Building specified in the background section of this document.

### **5.2 PURPOSE OF LAND AND BUILDING VALUATION**

The appointed service provider/s are required to demonstrate the ability to independently provide advisory services and determine the property values for the following purpose:

- Due diligence (structured finance for bonds and exposure, authenticating shareholder contributions, etc.);
- Balance sheet valuation requirements;
- Land development valuations;
- Replacement valuations;
- Servitude valuations;
- Historical valuations;
- Building conditions assessment;
- Expropriation valuations;
- Acquisition and alienations of properties;
- Assets and asset verifications; and
- International Financial Reporting Standards (IFRS) 9 requirement of valuation of tangible assets.

### **5.3 DELIVERABLES**

The appointed service provider/s should compile fully motivated valuation reports, which shall include, but not be limited to, the following:

- Purpose of valuation;
- Effective date of valuation;
- Description/Title deed information;
- Locality and neighbourhood;
- Market overview/economic activities in the area;
- Topography, soil conditions, flood lines and shape;
- Access and egress;

- Servitudes;
- Town planning information, municipal valuation and date, rates and taxes status;
- Accommodation, sizes of the facilities, functional efficiency, condition, services;
- Highest and best use of the property;
- Valuation methodology and motivation for the adopted and rejected methods;
- Determination of value; and
- Certificate of value.

#### **5.4 MENTORSHIP AND SKILLS TRANSFER**

In ensuring that the IDC Valuers meet their development needs, the service provider shall provide on/off-site mentorship on an ad hoc basis. The service provider amongst other things shall be expected to provide:

- Mentorship that will be applied or based on practical IDC valuation assignments;
- Engage candidates and provide feedback to the candidate and IDC valuations unit during report review, including consideration of
  - Candidate Valuers Assessment Needs Analysis (ANA);
  - Goals and development needs;
- Feedback on the candidate's development needs as per relevant councils requirements in aiding the Candidate Valuers in attaining professional registration; and
- Provide skills transfer and present case studies for areas which both candidates and professional valuers may not be exposed to at the IDC.

**SECTION 3 (A) TECHNICAL REQUIREMENTS APPLICABLE TO SMALL AND MEDIUM ENTITIES**

**5.5 TECHNICAL EVALUATION CRITERIA FOR SMALL & MEDIUM SIZED ENTITIES**

The bidder must indicate its compliance/non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

**Note:** The IDC will consider bids which best meet its technical requirements and bidders are required to provide relevant and comprehensive information to indicate its compliance with the stated technical requirements.

**5.5.1 Mandatory Technical Requirements**

<b>5.5.1.1 PROFESSIONAL BODY REGISTRATION</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The bidder’s proposed principal valuer(s) and/or proposed mentor must be registered and in good standing with the South African Council for the Property Valuers Profession (SACPVP) as a Professional Valuer without any restrictions.</p> <p>To substantiate, the bidder must submit, as part of this proposal, a copy, certified as a true copy of the original by a Commissioner of Oaths, of the SACPVP certificate(s) for the proposed principal valuer(s).</p>		
<b>Substantiate / Comments</b>		

<b>5.5.1.2 PROFESSIONAL INDEMNITY INSURANCE</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The bidder will be required to submit adequate (in terms of the value of the assigned project) and valid Professional Indemnity Insurance for all work done for the IDC.</p>		
<b>Substantiate / Comments</b>		

<b>5.5.1.3 BIDDER'S WILLINGNESS TO ACCEPT JOINT ENGAGEMENT FOR INDIVIDUAL ASSIGNMENT WITH LARGE VALUATION COMPANIES</b>	<b>Comply</b>	<b>Not Comply</b>
The IDC intends to promote the transformation of the valuation fraternity through inclusive development of small black owned valuation companies. Successful service provider/s will be required from time to time to enter into a joint engagement with any valuation firm on the panel. The bidder is required to confirm their acceptance of this condition.		
<b>Substantiate / Comments</b>		

<b>5.5.1.4 WILLINGNESS TO PROVIDE SKILLS TRANSFER / MENTORSHIP</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder is required to confirm their willingness to provide mentorship and skills transfer to IDC staff as outlined above (Point 5.4)		
<b>Substantiate / Comments</b>		

## 5.5.2 Other Technical Requirements

The bidder must indicate its compliance/non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

5.5.2.1 BIDDER'S EXPERIENCE	Comply	Partially Comply	Not Comply
<p>The bidder/founding member of the bidding entity is required to have relevant experience in carrying out valuation services on different types of properties and for different purposes.</p> <p>To substantiate, the bidder/founding member is required to provide two (2) relevant contactable references of valuation services done in the past five (5) years.</p> <p>Please refer to <b>Table (a) and Table (b) of Annexure 7</b> of this document for the format in which the required information must be provided and to show/substantiate your experience in different types of properties.</p> <p><b>Note:</b> Bidders <b>must</b> also complete <b>Table (d) of Annexure 7</b> to indicate their ability to carry out valuation assignment in different provinces.</p>			
<p><b>Substantiate / Comments</b></p>			



<b>5.5.2.2 QUALIFICATION AND SKILLS OF THE PROPOSED TEAM OF VALUERS</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidders proposed team of valuer(s) are required to demonstrate their relevant experience in carrying out valuation services on different types of properties and for different purposes. To substantiate, bidders must provide two (2) relevant contactable references of valuation services done in the past five (5) years.</p> <p>The bidder's proposed principal valuer(s) must also have a minimum qualification of a National Diploma in Property Valuation with a recognised institution. To substantiate, the bidder <b>must</b> submit copies of the CVs of the proposed resources/valuer(s) and the CVs must clearly highlight their qualifications and areas of experience/ competence. CVs to also be accompanied by copies of the resource's qualification certificates. Note: all copies of certificates must be certified as a true copy of the original by a Commissioner of Oaths.</p> <p>Please refer to <b>Table (c) of Annexure 7</b> of this document for the format in which the required information must be provided.</p>			
<b>Substantiate / Comments</b>			

<b>5.5.2.3 SYSTEMS, TOOLS AND PROCESSES TO DELIVER ON VALUATION ASSIGNMENTS</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder is required to clearly outline the systems, tools, equipment and processes at their disposal to deliver on valuation assignments.</p> <p>To substantiate the bidder must submit a detailed proposed methodology to outline the above.</p>			
<b>Substantiate / Comments</b>			

**SECTION 3 (B) TECHNICAL REQUIREMENTS APPLICABLE TO LARGE  
SIZED ENTITIES**

**5.6 TECHNICAL EVALUATION CRITERIA FOR LARGE ENTITIES**

The bidder must indicate its compliance / non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

**Note:** The IDC will consider bids which best meet its technical requirements and bidders are required to provide relevant and comprehensive information to indicate its compliance with the stated technical requirements.

**5.6.1 Mandatory Technical Requirements**

<b>5.6.1.1 PROFESSIONAL BODY REGISTRATION</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The bidder's proposed principal valuer(s) and/or proposed mentor must be registered and in good standing with the South African Council for the Property Valuers Profession (SACPVP) as a Professional Valuer without any restrictions.</p> <p>To substantiate, the bidder must submit, as part of this proposal, a copy, certified as a true copy of the original by a Commissioner of Oaths, of the SACPVP certificate(s) for the proposed principal valuer(s).</p>		
<b>Substantiate / Comments</b>		

<b>5.6.1.2 PROFESSIONAL INDEMNITY INSURANCE</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The bidder will be required to submit adequate (in terms of the value of the assigned project) and valid Professional Indemnity Insurance for all work done for the IDC.</p>		
<b>Substantiate / Comments</b>		

<b>5.6.1.3 BIDDER'S WILLINGNESS TO ACCEPT JOINT ENGAGEMENT FOR INDIVIDUAL ASSIGNMENT WITH SMALL &amp; MEDIUM SIZED VALUATION COMPANIES</b>	<b>Comply</b>	<b>Not Comply</b>
The IDC intends to promote the transformation of the valuation fraternity through inclusive development of small black owned valuation companies. Successful service provider/s will be required from time to time to enter into a joint engagement with any valuation firm on the panel. The bidder is required to confirm their acceptance of this condition.		
<b>Substantiate / Comments</b>		

<b>5.6.1.4 AVAILABILITY AND ABILITY TO MOBILISE RESOURCES</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder will be expected to avail and mobilise resources within seven (7) days from the date of appointment.		

<b>5.6.1.5 WILLINGNESS TO PROVIDE SKILLS TRANSFER / MENTORSHIP</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder is required to confirm their willingness to provide mentorship and skills transfer to IDC staff as outlined above (Point 5.4)		
<b>Substantiate / Comments</b>		

## 5.6.2 Other Technical Requirements

The bidder must indicate its compliance/non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

5.6.2.1 BIDDER'S EXPERIENCE	Comply	Partially Comply	Not Comply
<p>The bidder is required to have relevant experience in carrying out valuation services in different types of properties and for different purposes.</p> <p>To substantiate the bidder is required to provide five (5) relevant contactable references of valuation services done in the past five (5) years.</p> <p>Please refer to <b>Table (a) and Table (b) of Annexure 7</b> of this document for the format in which the required information must be provided and to show/substantiate your experience in different types of properties.</p> <p><b>Note:</b> The bidder <b>must</b> also complete <b>Table (d) of Annexure 7</b> to indicate their ability to carry out valuation assignment in different provinces.</p>			
<b>Substantiate / Comments</b>			

<b>5.6.2.2 QUALIFICATION AND SKILLS OF THE PROPOSED TEAM OF VALUERS</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidders proposed team of valuer(s) are required to demonstrate their relevant experience in carrying out valuation services in different types of properties and for different purposes. To substantiate, the bidder must provide three (3) relevant contactable references of valuation services done in the past five (5) years.</p> <p>The bidder's proposed principal valuer(s) must also have a minimum qualification of a National Diploma in Property Valuation with a recognised institution. To substantiate, the bidder must submit copies of the CVs of the proposed resources/valuer(s) and the CVs must clearly highlight their qualifications and areas of experience/ competence. CVs to also be accompanied by copies of the resources qualification certificates.</p> <p>Please refer to <b>Table (c) of Annexure 7</b> of this document for the format in which the required information must be provided.</p>			
<b>Substantiate / Comments</b>			

<b>5.6.2.3 SYSTEMS, TOOLS AND PROCESSES TO DELIVER ON VALUATION ASSIGNMENTS</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder is required to clearly outline the systems, tools, equipment and processes at their disposal to deliver on valuation assignments.</p> <p>To substantiate the bidder must submit a detailed proposed methodology to outline the above.</p>			
<b>Substantiate / Comments</b>			

**5.7 COST PROPOSAL**

The bidder must complete the Pricing Schedule below by indicating their standard rates:

The bidders on the panel will be appointed on fixed rate basis for services, which will escalate annually based on the Consumer Price Index rate.

The IDC reserves the right to enter into price negotiations with appointed panellists with the objective to achieve uniform costing for services under any ensuing contracts.

No	Asset Characteristic				Valuation Fee per property	Estimated hours to produce a valuation report per property	Estimated number of personnel to produce valuation report per property
	Description	Registered bond amount range	Property extent range	Count per property function			
1	Industrial e.g. warehouses, manufacturing or processing or treatment plants/ factories etc.	Low (e.g. <R5 000 000)	Low (e.g. < 1 500m <sup>2</sup> )				
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 1501 – 5000m <sup>2</sup> )				
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 5 001m <sup>2</sup> )				
3	Healthcare Facilities e.g. specialised medical facilities, Medical equipment manufacturing plant, etc.	Low (e.g. <R5 000 000)	Low (e.g. < 5 000m <sup>2</sup> )	Low (e.g. < 50 beds)			
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 1501 – 5000m <sup>2</sup> )	Medium (e.g. 51-100 beds)			
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 5 000m <sup>2</sup> )	High (e.g. ≥ 101 beds)			
5	Specialised properties, e.g. mines and quarries, mining right	Low (e.g. <R5 000 000)	Low (e.g. < 5 000m <sup>2</sup> )				
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 1501 – 5000m <sup>2</sup> )				
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 5 000m <sup>2</sup> )				
7	Agriculture, e.g. livestock, game and dairy, permanent crops, winery, cash crops, silos, cold storage, packing houses	Low (e.g. <R5 000 000)	Low (e.g. < 5 000m <sup>2</sup> )				
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 1501 – 5000m <sup>2</sup> )				
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 5 000m <sup>2</sup> )				
9	Energy : Renewable Independent Power Producers, Solar and Wind turbines, etc.	Low (e.g. <R5 000 000)	Low (e.g. < 5 000m <sup>2</sup> )				
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 1501 – 5000m <sup>2</sup> )				
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 5 000m <sup>2</sup> )				

No	Asset Characteristic				Valuation Fee per property	Estimated hours to produce a valuation report per property	Estimated number of personnel to produce valuation report per property
	Description	Registered bond amount range	Property extent range	Count per property function			
11	Leisure e.g. recreational facilities, lifestyle farming, hotels, guesthouses and lodges	Low (e.g. <R1 00 000)	Low (e.g. < 5 000m <sup>2</sup> )	Low (e.g. < 50 keys)			
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 1501 – 5000m <sup>2</sup> )	Medium (e.g. 51-100 keys)			
12		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 5 000m <sup>2</sup> )	High (e.g. ≥ 100 keys)			
13	Service stations	Low (e.g. <R1 00 000)	Low (e.g. < 5 000m <sup>2</sup> )	Low (e.g. < 150 000 litres/month)			
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 1501 – 5000m <sup>2</sup> )	Medium ( 150 001 – 250 000 litres/month)			
14		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 5 000m <sup>2</sup> )	High (e.g. ≥ 250 000 litres/month)			
15	Meat processing plants i.e. abattoirs	Low (e.g. <R1 00 000)	Low (e.g. < 1 500m <sup>2</sup> )				
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 1501 – 5000m <sup>2</sup> )				
16		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 5 001m <sup>2</sup> )				

#### 5.8 HOURLY RATES FOR MENTORSHIP AND SKILLS TRANSFER

No	Details	Qty./Hours	Rate	Amount
	<b>Sector:</b>			
<b>1</b>	<b>Fee Estimates:</b>			
1.1	Land Building Mentor with 5 years' experience			
1.2	Land Building Mentor with more than 10 years' experience			
1.3	Plant, Equipment and Machinery Mentor with 5 years' experience			
1.4	Plant, Equipment and Machinery Mentor with more than 10 years' experience			
1.5	Mentorship documents review			
1.6	Admin and overheads fee			

**Disbursement (Out of Pocket Expenses):**

Reimbursement of disbursement will be purely based on proven costs; therefore the bidder is expected to submit invoices for the disbursement expense incurred. The IDC WILL consider the guidelines on consultancy rates as set out in the National Treasury National Travel Policy Framework. The bidder must indicate if their proposed rates are in line with the provisions of the referenced National Treasury Instruction: Cost Containment Measures.

**Travel Hours**

Bidder should provide the per kilometre rate for travel in the table below:

No	Resource(s)	Rate per hour
1.		
2.		
3.		
4.		
5.		

<b>ACCOMMODATION</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder must ensure that the domestic Accommodation costs do not exceed the maximum allowable rates referred to in the Domestic Accommodation Rate Grid set out in National Treasury cost containment directives.		
<b>Substantiate / Comments</b>		

<b>AIR TRAVEL</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder may only travel economy class. The bidders must plan official travel well in advance to take advantage of the cheaper economy class fares (e.g. V, S, N, Q class tickets) which requires bookings/reservations be made, where possible, at least seven (7) working days prior to departure. The most cost-effective options are available when making bookings/reservations more than fourteen (14) days prior to departure.		
<b>Substantiate / Comments</b>		



<b>CAR HIRE</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder will be limited to renting from Group B (economy car hire). A difference class of vehicle (intermediate or Compact Sports Utility Vehicle) can be rented if required for a particular terrain. Mountainous and gravel roads are considered as difficult terrain and vehicle with higher ground clearance may be required.		
<b>Substantiate / Comments</b>		

<b>SUBSISTENCE ALLOWANCE</b>	<b>Comply</b>	<b>Not Comply</b>
The Bidders is entitled to claim the fixed daily allowance in circumstances where actual expenses are not claimed. The rate for subsistence allowance is annually determined by the Department of Public Service and Administration.		
<b>Substantiate / Comments</b>		

## **6. PLANT, EQUIPMENT AND MACHINERY (PEM) VALUATION**

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### **6.1 SCOPE OF WORK**

The appointed service provider/s will be required to provide Plant, Equipment and Machinery valuation services as per the sectors listed in background information above.

Additionally, the appointed service provider/s will be required to provide on/off site mentorship and support to the Candidate Valuers and also Professional Valuers from time to time when needed. The scope of work shall include but not limited to mentorship on valuation covering valuation of Plant and Equipment specified in the background section of this document.

### **6.2 PURPOSE OF PLANT, EQUIPMENT AND MACHINERY (PEM) VALUATION**

The appointed service provider/s should demonstrate the ability to independently determine the property values for the following purpose:

- Due diligence (Structured finance for bonds and exposure, authenticating shareholder contributions, etc.);
- Balance sheet valuation requirements;
- Replacement valuations;
- Historical valuations;
- Assets conditions assessment;
- Acquisition and alienations of properties;
- Assets and assets verification; and
- International Financial Reporting Standards (IFRS) 9 requirement of valuation of tangible assets.

### **6.3 VALUATION METHODOLOGY**

The bidder's attention is drawn to the following IDC's accepted and internationally recognized definitions of the following valuation methodologies for common understanding and application when undertaking IDC valuations. Depending on the IDC requirements in the determination of value, the IDC may require one or a combination of the following valuation approaches, which are defined, below:

#### **6.3.1 Estimated New Replacement Cost (ENRC)**

The Estimated New Replacement Cost is defined as the cost, at the date of valuation, of replacing the existing asset with similar characteristics, capabilities and/or production capacities, inclusive of all reasonable professional fees and installation costs, where applicable. In replacing existing or similar assets, we include for all costs of transport, taxes, duties, installation fees and all piping, wiring and other services, foundations, footings and finishes that are attributable to the asset.

The estimated cost of replacing the asset as if new, at prices applicable at the valuation date, inclusive of professional fees and installation costs, but exclusive of any finance charges or the cost of demolition or emergency charges.

## **6.3.2 Depreciated Replacement Value (DRV)**

### **6.3.2.1 Depreciated Replacement Value (Reducing Balance)**

The estimated cost of acquiring and installing a new asset or a modern substitute asset having the same productive capacity as that existing, but exclusive of finance charges, is determined. This is then depreciated according to age, obsolescence and condition to obtain the value.

This cost is only to assets being part of an operating concern and assumed adequate profitability. It does not necessarily represent the Open Market Value of the asset.

### **6.3.2.2 Depreciated Replacement Value (Straight Line)**

The estimated cost of replacing the asset as if new, at prices applicable at the variation date, inclusive of fees and installation costs but exclusive of any finance charges or demolition costs is first determined. Depreciated Replacement Cost is a monetary statement of the remaining life of the asset based on the current capital Costs.

## **6.3.3 Open Market Value (OMV)**

### **6.3.3.1 Open Market Value (In-situ)**

The amount that a buyer should pay for the assets as a whole, in situ, reflecting the fact that the machinery is already installed and commissioned. It is the price that should be paid for the assets in the event that the company is sold as a going concern. To determine this figure, we consider the cost of purchasing a substantially similar machine of a comparable condition, on the open market, then make allowance for transport, installation and commissioning costs.

### **6.3.3.2 Open Market Value (Break-up basis)**

We assume all assets are sold individually for removal from the premises at the expense of the buyer. This value will inform the seller of expected realisations assuming a break-up sale of the assets is to be conducted in an unrestricted manner. No allowance is made for the cost incurred in conducting the sales.

## **6.3.4 Forced Sale Value (FSV)**

The Forced Sale Value is the price, which might be achieved if the asset was offered for sale as an individual item by auction within a prescribed time period assuming any offer must be accepted.

## **6.3.5 Residual Value**

The residual value is the expected value of the asset at the end of its useful, economic and financially viable lifespan. Generally, this is the scrap value in weight of the asset.

#### **6.4 DELIVERABLES**

The appointed service provider/s should compile fully motivated valuation report which shall include but not be limited to the following amongst others:

- Purpose of valuation;
- Effective date of valuation;
- Method of approach to valuation;
- Process adopted in sourcing market input data for and calculating replacement values and market values;
- Detailed breakdown of value calculations in soft copy (Microsoft excel format);
- Market overview/economic activities in the industry in relation to the material and high value assets;
- Functional efficiency, assets condition, maintenance record;
- Valuation methodology and motivation for the adopted methods;
- Determination of value and value conclusion; and
- Valuation certificate.

#### **6.5 MENTORSHIP AND SKILLS TRANSFER**

In ensuring that the IDC Valuers meet their development needs, the service provider shall provide on/off-site mentorship on an ad hoc basis. The service provider amongst other things shall be expected to provide:

- Mentorship that will be applied or based on practical IDC valuation assignments;
- Engage candidates and provide feedback to the candidate and IDC valuations unit during report review, including consideration of
  - Candidate Valuers Assessment Needs Analysis (ANA);
  - Goals and development needs;
- Feedback on the candidate's development needs as per relevant councils requirements in aiding the Candidate Valuers in attaining professional registration; and
- Provide skills transfer and present case studies for areas which both candidates and professional valuers may not be exposed to at the IDC.

**SECTION 3 (C) TECHNICAL REQUIREMENTS APPLICABLE TO  
SMALL AND MEDIUM ENTITIES**

**6.6 TECHNICAL EVALUATION CRITERIA FOR SMALL & MEDIUM SIZED ENTITIES**

The bidder must indicate its compliance/non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

**Note:** The IDC will consider bids which best meet its technical requirements and bidders are required to provide relevant and comprehensive information to indicate its compliance with the stated technical requirements.

**6.6.1 Mandatory Technical Requirements**

<b>6.6.1.1 PROFESSIONAL BODY REGISTRATION</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The bidder’s proposed key individual and/or proposed mentor must be registered/affiliated and in good standing with the appropriate Societies/Associates such as Royal Institute of Chartered Surveyors (RICS), American Society of Appraisers (ASA), and any other relevant industry bodies.</p> <p>To substantiate, the bidder must submit, as part of this proposal, a copy, certified as a true copy of the original by a Commissioner of Oaths, of their proof of registration to confirm compliance.</p>		
<b>Substantiate / Comments</b>		

<b>6.6.1.2 PROFESSIONAL INDEMNITY INSURANCE</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The bidder will be required to submit adequate (in terms of the value of the assigned project) and valid Professional Indemnity Insurance for all work done for the IDC.</p>		
<b>Substantiate / Comments</b>		

<b>6.6.1.3 BIDDER'S WILLINGNESS TO ACCEPT JOINT ENGAGEMENT FOR INDIVIDUAL ASSIGNMENT WITH LARGE VALUATION COMPANIES</b>	<b>Comply</b>	<b>Not Comply</b>
The IDC intends to promote the transformation of the valuation fraternity through inclusive development of small black owned valuation companies. Successful service provider/s will be required from time to time to enter into a joint engagement with any valuation firm on the panel. The bidder is required to confirm their acceptance of this condition.		
<b>Substantiate / Comments</b>		

<b>6.6.1.4 WILLINGNESS TO PROVIDE SKILLS TRANSFER / MENTORSHIP</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder is required to confirm their willingness to provide mentorship and skills transfer to IDC staff as outlined above (Point 6.5)		
<b>Substantiate / Comments</b>		

## 6.6.2 Other Technical Requirements

The bidder must indicate its compliance / non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

6.6.2.1 BIDDER'S EXPERIENCE	Comply	Partially Comply	Not Comply
<p>The bidder is required to have relevant experience in carrying out valuation services in different types of assets for different purposes.</p> <p>To substantiate the bidder is required to provide two (2) relevant contactable references of valuation services done in different types of plant, equipment and machinery within the past five (5) years.</p> <p>Please refer to <b>Table (a) and Table (b) of Annexure 7</b> of this document for the format in which the required information must be provided and to show/substantiate your experience in different types of assets.</p> <p><b>Note:</b> The bidder must also complete <b>Table (d) of Annexure 7</b> to indicate their ability to carry out valuation assignment in different provinces.</p>			
<b>Substantiate / Comments</b>			

6.6.2.2 SYSTEM, TOOLS AND PROCESSES TO DELIVER ON VALUATION ASSIGNMENTS	Comply	Partially Comply	Not Comply
<p>The bidder is required to clearly outline the systems, tools, equipment and processes at their disposal to deliver on valuation assignments.</p> <p>To substantiate the bidder must submit a detailed proposed methodology to outline the above.</p>			
<b>Substantiate / Comments</b>			

6.6.2.3 QUALIFICATION AND SKILLS OF THE PROPOSED TEAM OF VALUERS	Comply	Partially Comply	Not Comply
<p>The bidders proposed team of valuer(s) are required to demonstrate their relevant experience in carrying out valuation services in different types of assets for different purposes. To substantiate the bidder must provide two (2) relevant contactable references of similar valuation services done in the past five (5) years.</p> <p>The bidder's proposed principal valuer(s) must also have a minimum qualification of a National Diploma in Property Valuation, Process Engineering or any other equivalent qualification from a recognised institution. To substantiate, the bidder must submit copies of the CVs of the proposed resources/valuer(s) and the CVs must clearly highlight their qualifications and areas of experience/ competence. CVs to also be accompanied by copies of the resources qualification certificates.</p> <p>Please refer to <b>Table (c) of Annexure 7</b> of this document for the format in which the required information must be provided.</p>			
<b>Substantiate / Comments</b>			



**SECTION 3 (D) TECHNICAL REQUIREMENTS APPLICABLE TO LARGE SIZED ENTITIES**

**6.7 TECHNICAL EVALUATION CRITERIA FOR LARGE ENTITIES**

The bidder must indicate its compliance/non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

**Note:** The IDC will consider bids which best meet its technical requirements and bidders are required to provide relevant and comprehensive information to indicate its compliance with the stated technical requirements.

**6.7.1 Mandatory Technical Requirements**

<b>6.7.1.1 PROFESSIONAL BODY REGISTRATION</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The bidder’s proposed key individual and/or proposed mentor must be registered/affiliated and in good standing with the appropriate Societies/Associates such as Royal Institute of Chartered Surveyors (RICS), American Society of Appraisers (ASA), and any other relevant industry bodies.</p> <p>To substantiate, the bidder must submit, as part of this proposal, a copy, certified as a true copy of the original by a Commissioner of Oaths, of their proof of registration to confirm compliance.</p>		
<b>Substantiate / Comments</b>		

<b>6.7.1.2 PROFESSIONAL INDEMNITY INSURANCE</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The bidder will be required to submit adequate (in terms of the value of the assigned project) and valid Professional Indemnity Insurance for all work done for the IDC.</p>		
<b>Substantiate / Comments</b>		

<b>6.7.1.3 BIDDER'S WILLINGNESS TO ACCEPT JOINT ENGAGEMENT FOR INDIVIDUAL ASSIGNMENT WITH SMALL &amp; MEDIUM SIZED VALUATION COMPANIES</b>	<b>Comply</b>	<b>Not Comply</b>
The IDC intends to promote the transformation of the valuation fraternity through inclusive development of small black owned valuation companies. Successful service provider/s will be required from time to time to enter into a joint engagement with any valuation firm on the panel. The bidder is required to confirm their acceptance of this condition.		
<b>Substantiate / Comments</b>		

<b>6.7.1.4 AVAILABILITY AND ABILITY TO MOBILISE RESOURCES</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder will be expected to avail and mobilise resources within seven (7) days from the date of appointment.		
<b>Substantiate / Comments</b>		

<b>6.7.1.5 WILLINGNESS TO PROVIDE SKILLS TRANSFER / MENTORSHIP</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder is required to confirm their willingness to provide mentorship and skills transfer to IDC staff as outlined above (Point 6.5)		
<b>Substantiate / Comments</b>		

## 6.7.2 Other Technical Requirements

The bidder must indicate its compliance / non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

<b>6.7.2.1 BIDDER'S EXPERIENCE</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder is required to have relevant experience in carrying out valuation services in different types of assets for different purposes.</p> <p>To substantiate the bidder is required to provide three (3) relevant contactable references of valuation services done in different types of plant, equipment and machinery within the past five (5) years.</p> <p>Please refer to <b>Table (a) and Table (b) of Annexure 7</b> of this document for the format in which the required information must be provided and to show/substantiate your experience in different types of assets.</p> <p><b>Note:</b> The bidder must also complete <b>Table (d) of Annexure 7</b> to indicate their ability to carry out valuation assignment in different provinces.</p>			
<b>Substantiate / Comments</b>			

<b>6.7.2.2 SYSTEM, TOOLS AND PROCESSES TO DELIVER ON VALUATION ASSIGNMENTS</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder is required to clearly outline the systems, tools, equipment and processes at their disposal to deliver on valuation assignments.</p> <p>To substantiate the bidder must submit a detailed proposed methodology to outline the above.</p>			
<b>Substantiate / Comments</b>			

<b>6.7.2.3 QUALIFICATION AND SKILLS OF THE PROPOSED TEAM OF VALUERS</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidders proposed team of valuer(s) are required to demonstrate their relevant experience in carrying out valuation services in different types of assets for different purposes. To substantiate the must provide three (3) relevant contactable references of similar valuation services done in the past five (5) years.</p> <p>The bidder's proposed principal valuer(s) must also have a minimum qualification of a National Diploma in Valuation, Process Engineering or any other equivalent qualification from a recognised institution. To substantiate, the bidder must submit copies of the CVs of the proposed resources/valuer(s) and the CVs must clearly highlight their qualifications and areas of experience/ competence. CVs to also be accompanied by copies of the resources qualification certificates.</p> <p>Please refer to <b>Table (c) of Annexure 7</b> of this document for the format in which the required information must be provided.</p>			
<b>Substantiate / Comments</b>			

6.8 COST PROPOSAL

The bidder must complete the Pricing Schedule below by indicating their standard rates:

No	Asset Characteristic			Time to inspect the asset (time per asset) in hours	Time to conduct research and compile the report (time per asset) in hours	Total time to value the assets (time per asset) in hours	Rate per Assets Analysis (Excluding disbursements)	Estimated number of personnel to produce valuation report	Bidders Fee per Valuation based on Cost per Asset (Excluding disbursements)
	Description	Registered bond amount range	Count per property function						
1	Industrial e.g. warehouses, manufacturing or processing or treatment plants/ factories etc.	Low (e.g. <R5 000 000)	Low (e.g. < 50 assets)						
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 51-100 assets)						
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 101 assets)						
2	Healthcare Facilities e.g. specialised medical facilities, Medical equipment manufacturing plant, etc.	Low (e.g. <R5 000 000)	Low (e.g. < 50 assets)						
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 51-100 assets)						
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 101 assets)						
3	Specialised properties, e.g. mines and quarries, mining right	Low (e.g. <R5 000 000)	Low (e.g. < 50 assets)						
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 51-100 assets)						
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 101 assets)						
4	Agriculture, e.g. livestock, game and dairy, permanent crops, winery, cash crops, silos, cold storage, packing houses	Low (e.g. <R5 000 000)	Low (e.g. < 50 assets)						
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 51-100 assets)						
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 101 assets)						
5	Energy : Renewable Independent Power Producers, Solar and Wind turbines, etc.	Low (e.g. <R5 000 000)	Low (e.g. < 50 assets)						
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 51-100 assets)						
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 101 assets)						

No	Asset Characteristic		Time to inspect the asset (time per asset) in hours	Time to conduct research and compile the report (time per asset) in hours	Total time to value the assets (time per asset) in hours	Rate per Assets Analysis (Excluding disbursements)	Estimated number of personnel to produce valuation report	Bidders Fee per Valuation based on Cost per Asset (Excluding disbursements)
6	Leisure e.g. recreational facilities, lifestyle farming, hotels, guesthouses and lodges	Low (e.g. <R5 000 000)	Low (e.g. < 50 assets)					
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 51-100 assets)					
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 101 assets)					
7	Service stations	Low (e.g. <R5 000 000)	Low (e.g. < 50 assets)					
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 51-100 assets)					
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 101 assets)					
5	Meat processing plants i.e. abattoirs	Low (e.g. <R5 000 000)	Low (e.g. < 50 assets)					
		Medium (e.g. R5 000 000 - R10 000 000)	Medium ( 51-100 assets)					
		High (e.g. ≥ R10 000 000)	High (e.g. ≥ 101 assets)					

#### 6.9 HOURLY RATES FOR MENTORSHIP AND SKILLS TRANSFER

No	Details	Qty./Hours	Rate	Amount
	<b>Sector:</b>			
<b>1</b>	<b>Fee Estimates:</b>			
1.1	Land Building Mentor with 5 years' experience			
1.2	Land Building Mentor with more than 10 years' experience			
1.3	Plant, Equipment and Machinery Mentor with 5 years' experience			
1.4	Plant, Equipment and Machinery Mentor with more than 10 years' experience			
1.5	Mentorship documents review			
1.6	Admin and overheads fee			

**Out of Pocket Expenses:**

**Disbursement (Out of Pocket Expenses):**

Reimbursement of disbursement will be purely based on proven costs, therefore the bidder is expected to submit invoices for the disbursement expense incurred. The IDC reserves the right to consider the guidelines on consultancy rates as set out in the National Treasury Instruction 01 of 2013/2014: Cost Containment Measures which took effect from 01 January 2014, where relevant. The bidder must indicate if their proposed rates are in line with the provisions of the referenced National Treasury Instruction: Cost Containment Measures.

**Travel Hours**

Bidder should provide the per kilometre rate for travel in the table below:

No	Resource(s)	Rate per hour
1.		
2.		
3.		
4.		
5.		

ACCOMMODATION	Comply	Not Comply
The bidder must ensure that the domestic Accommodation costs do not exceed the maximum allowable rates referred to in the Domestic Accommodation Rate Grid set out in National Treasury cost containment directives.		
<b>Substantiate / Comments</b>		

AIR TRAVEL	Comply	Not Comply
The bidder may only travel economy class. The bidders must plan official travel well in advance to take advantage of the cheaper economy class fares (e.g. V, S, N, Q class tickets) which requires bookings/reservations be made, where possible, at least seven (7) working days prior to departure. The most cost-effective options are available when making bookings/reservations more than fourteen (14) days prior to departure.		
<b>Substantiate / Comments</b>		

<b>CAR HIRE</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder will be limited to renting from Group B (economy car hire). A difference class of vehicle (intermediate or Compact Sports Utility Vehicle) can be rented if required for a particular terrain. Mountainous and gravel roads are considered as difficult terrain and vehicle with higher ground clearance may be required.		
<b>Substantiate / Comments</b>		

<b>SUBSISTENCE ALLOWANCE</b>	<b>Comply</b>	<b>Not Comply</b>
The Bidders is entitled to claim the fixed daily allowance in circumstances where actual expenses are not claimed. The rate for subsistence allowance is annually determined by the Department of Public Service and Administration.		
<b>Substantiate / Comments</b>		



## **7. SECTION C: TANGIBLE ASSETS VERIFICATION, TAGGING & VALUATION**

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### **7.1 SCOPE OF WORK**

The appointed service provider/s will be required to provide Tangible Asset Verification, Tagging & Valuation as per the sectors listed in the background information above.

### **7.2 APPROACH TO VERIFICATION, TAGGING AND VALIDATION OF VALUE OF THE FUNDED PHYSICAL ASSETS**

The following approach shall be adopted by the service provider in rendering the verification, tagging and providing an opinion of the fair value of the funded tangible assets. Upon request, the IDC appointed service provider shall, in respect of the specified assets, which are to be verified, tagged, and have their value validated:

- Be provided with information pertaining to the Fixed Asset Register;
- Inspect the specified tangible assets at the applicable site. The service provider shall take note and report on the critical data of each and every asset in detail, such detail shall include but not be limited to the following:
  - Assets location within the client's functional hierarchy and operational units,
  - Asset's functional use,
  - Manufacturer name and date of manufacture,
  - Suppliers and agents' names,
  - Purchasing information: Purchase date, invoice number, purchase cost, etc.,
  - Description of the physical assets, model number, serial number, capacity and other pertinent details, etc.,
  - Digital photo of physical asset (at least 3 photos showing the manufacturer name plate and the side and front view of the asset),
  - Condition of the assets:
    - operation status, maintenance status which shall include date of last maintenance, by who, findings (preventative/corrective) utilisation, benchmark calculation, etc.,
    - record of any performance enhancement/ refurbishment,
    - physical, economic and technological obsolescence, etc.
  - Ownership details (encumbrances, lease, etc.),
  - Outstanding capital payments and finance charges for any material and high value assets which are subject to lease or hire purchase arrangements which are to be settled in the short term,
  - Warranty expiry date, lease/loan completion date etc., and
  - Reconcile Fixed Asset Registers against:
    - the data physically captured on site, purchasing information, etc
    - the notes to the business partner's Financial Statements, differences in accounting for depreciation, etc.
  - Advise about the movement of the assets in the Fixed Asset Registers due to disposals, additions, scrapped assets, re-allocation of assets to related parties, etc

### 7.3 DELIVERABLES

Prior to preparation of the tangible asset verification and tagging report, the appointed service provider/s shall have:

- Conducted a physical verification and reconciliation of tangible assets which are to be held under Special Notarial Bonds (SNB) and Suspensive Sales (SS);
- Reviewed the useful life of each and every inspected and verified asset including substantiating and motivating for significant deviations from industry norms
- Verified and validated the provided asset register against all the inspected assets per site
- Reconciled and produced a verification/discrepancy report in order to account for any inconsistencies such as capture of outstanding historical financial information (e.g. order number, purchased date, purchase cost, quality, supplier details, etc.) amongst others
- Placed unique identification marking("tag") on the tangible assets which are to under SNB or SS;
- Categorise the inspected and verified tangible assets according to assets held under Special Notarial Bonds (SNB) and Suspensive Sales (SS).
- Recommend available unencumbered assets for potential to be registered under SNB
- Compile a comprehensive asset list for registration of the SNB and/or SS which shall include and be cross referenced to the photographs of each the tangible assets.

The appointed service provider/s shall compile fully motivated tangible asset verification, tagging and valuation report which shall include but not be limited to the following amongst others:

- Purpose of the report;
- Effective date of the report
- Effective site inspection date
- Effective valuation date
- Description of the tangible assets, which shall include the following amongst others manufacturer's details, model/ asset type description, serial number, tag details, etc
- Description of the ancillary equipment associated with the main equipment shall be detailed;
- The condition of the subject tangible assets;
- Technical relevance and requirements for continued use shall be commented on;
- Need for maintenance, major repairs, overhaul, etc. that may have an impact on the value and/or functionality of the subject machinery shall be commented on.
- Method of approach to valuation;
- Process adopted in sourcing market input data for and calculating replacement values and market values;
- Detailed breakdown of value calculations in soft copy (Microsoft excel format);
- Market overview/economic activities in the industry in relation to the material and high value assets;
- Functional efficiency, assets condition, maintenance record;

- Valuation methodology and motivation for the adopted methods;
- Determination of value and value conclusion; in respect of the inspected and reconciled assets held under SNB and SS in the asset verification/discrepancy report.
- Valuation certificate.
- The verification/discrepancy report which shall be quality checked and agreed upon by the service provider's and the borrower's representative on site

**SECTION 3 (E) TECHNICAL REQUIREMENTS APPLICABLE TO  
SMALL AND MEDIUM ENTITIES**

**7.4 TECHNICAL EVALUATION CRITERIA FOR SMALL & MEDIUM SIZED ENTITIES**

The bidder must indicate its compliance / non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

**Note:** The IDC will consider bids which best meet its technical requirements and bidders are required to provide relevant and comprehensive information to indicate its compliance with the stated technical requirements.

**7.4.1 Mandatory Technical Requirements**

<b>7.4.1.1 PROFESSIONAL BODY REGISTRATION</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The bidder’s proposed key individual must be registered/affiliated and in good standing with the appropriate Societies/Associates such as Royal Institute of Chartered Surveyors (RICS), American Society of Appraisers (ASA), and any other relevant industry bodies.</p> <p>To substantiate, the bidder must submit, as part of this proposal, a copy, certified as a true copy of the original by a Commissioner of Oaths, of their proof of registration to confirm compliance.</p>		
<b>Substantiate / Comments</b>		

<b>7.4.1.2 PROFESSIONAL INDEMNITY INSURANCE</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The bidder will be required to submit adequate (in terms of the value of the assigned project) and valid Professional Indemnity Insurance for all work done for the IDC.</p>		
<b>Substantiate / Comments</b>		

<b>7.4.1.3 BIDDER'S WILLINGNESS TO ACCEPT JOINT ENGAGEMENT FOR INDIVIDUAL ASSIGNMENT WITH LARGE VALUATION COMPANIES</b>	<b>Comply</b>	<b>Not Comply</b>
<p>The IDC intends to promote the transformation of the valuation fraternity through inclusive development of small black owned valuation companies. Successful service provider/s will be required from time to time to enter into a joint engagement with any valuation firm on the panel. The bidder is required to confirm their acceptance of this condition.</p>		
<p><b>Substantiate / Comments</b></p>		

**7.4.2 Other Technical Requirements**

The bidder must indicate its compliance / non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that the substantiation is clearly cross-referenced to the relevant requirement.

<b>7.4.2.1 BIDDER'S EXPERIENCE</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder is required to have relevant experience in carrying out verification and tagging services of different types of assets.</p> <p>To substantiate the bidder is required to provide two (2) relevant contactable references of verification and tagging services done in the past five (5) years.</p> <p>Please refer to <b>Table (a) and Table (b) of Annexure 7</b> of this document for the format in which the required information must be provided and to show/substantiate your experience in different types of assets.</p> <p><b>Note:</b> The bidder must also complete <b>Table (d) of Annexure 7</b> to indicate their ability</p>			
<b>Substantiate / Comments</b>			

<b>7.4.2.2 SYSTEM, TOOLS AND PROCESSES TO DELIVER ON VALUATION ASSIGNMENTS</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidder is required to clearly outline the systems, tools, equipment and processes at their disposal to deliver on valuation assignments.</p> <p>To substantiate the bidder must submit a detailed proposed methodology to outline the above.</p>			
<b>Substantiate / Comments</b>			

<b>7.4.2.3 QUALIFICATION AND SKILLS OF THE PROPOSED TEAM OF VALUERS</b>	<b>Comply</b>	<b>Partially Comply</b>	<b>Not Comply</b>
<p>The bidders proposed team of valuer(s) are required to demonstrate their relevant experience in carrying out verification and tagging services of different types of assets. To substantiate the bidder must provide two (2) relevant contactable references of similar valuation services done in the past five (5) years.</p> <p>The bidder's proposed principal valuer(s) must also have a minimum qualification of a National Diploma in Asset Valuation, Process Engineering or any other equivalent qualification from a recognised institution. To substantiate, the bidder must submit copies of the CVs of the proposed resources/valuer(s) and the CVs must clearly highlight their qualifications and areas of experience/ competence. CVs to also be accompanied by copies of the resources qualification certificates.</p> <p>Please refer to <b>Table (c) of Annexure 7</b> of this document for the format in which the required information must be provided.</p>			
<b>Substantiate / Comments</b>			

**7.5 COST PROPOSAL**

The bidder must complete the Pricing Schedule below by indicating their standard rates:

No	Cost Component	Environment for tagging	Cost of verification and tagging (for more than 50 assets)	Cost of verification and tagging (for more than 100 assets)	Asset Verification, Tagging & Valuation report	Estimated number of personnel to produce valuation
1	Type A tag: Fee per Asset	Tag suitable for wet environment with chemical exposure				
2	Type B tag: Fee per Asset	Tag suitable for dusty environment with vibration and heat				
3	Type C tag: Fee per Asset	Tag suitable for external environment extreme weather elements				
4	Type D tag: Fee per Asset	Tag suitable for light manufacturing				

No	Personnel	Rate/hour
1	Asset Assessor (0 to 3 years)	
2	Junior Assessor (4 to 5 years)	
3	Senior Assessor (>5 years)	



	<b>Year</b>	<b>Personnel Rate/hour</b>	<b>Cost of verification and tagging (for more than 50 assets)</b>	<b>Cost of verification and tagging (for more than 100 assets)</b>	<b>Verification, Tagging &amp; Valuation report</b>
1	Year 1				
2	Year 2				
3	Year 3				
4	Year 4				
5	Year 5				

**Disbursement (Out of Pocket Expenses):**

Reimbursement of disbursement will be purely based on proven costs, therefore the bidder is expected to submit invoices for the disbursement expense incurred. The IDC reserves the right to consider the guidelines on consultancy rates as set out in the National Treasury Instruction 01 of 2013/2014: Cost Containment Measures which took effect from 01 January 2014, where relevant. The bidder must indicate if their proposed rates are in line with the provisions of the referenced National Treasury Instruction: Cost Containment Measures.

**Travel Hours**

Bidder should provide the per kilometre rate for travel in the table below:

No	Resource(s)	Rate per hour
1.		
2.		
3.		
4.		
5.		

<b>ACCOMMODATION</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder must ensure that the domestic Accommodation costs do not exceed the maximum allowable rates referred to in the Domestic Accommodation Rate Grid set out in National Treasury cost containment directives.		
<b>Substantiate / Comments</b>		

<b>AIR TRAVEL</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder may only travel economy class. The bidders must plan official travel well in advance to take advantage of the cheaper economy class fares (e.g. V, S, N, Q class tickets) which requires bookings/reservations be made, where possible, at least seven (7) working days prior to departure. The most cost-effective options are available when making bookings/reservations more than fourteen (14) days prior to departure.		
<b>Substantiate / Comments</b>		

<b>CAR HIRE</b>	<b>Comply</b>	<b>Not Comply</b>
The bidder will be limited to renting from Group B (economy car hire). A difference class of vehicle (intermediate or Compact Sports Utility Vehicle) can be rented if required for a particular terrain. Mountainous and gravel roads are considered as difficult terrain and vehicle with higher ground clearance may be required.		
<b>Substantiate / Comments</b>		

<b>SUBSISTENCE ALLOWANCE</b>	<b>Comply</b>	<b>Not Comply</b>
The Bidders is entitled to claim the fixed daily allowance in circumstances where actual expenses are not claimed. The rate for subsistence allowance is annually determined by the Department of Public Service and Administration.		
<b>Substantiate / Comments</b>		

**8. PROJECT TIMELINES**

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The appointed service provider(s) will be required to start immediately after signing the contract and provide the services for a period of three (3) years with an option to extend for a further two (2) years and not beyond five (5) years. IDC will conduct an annual performance review of service providers.

## **SECTION 5: ANNEXURES**

## Annexure 1: Acceptance of Bid Conditions and Bidder's Details

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Request for Proposal No: \_\_\_\_\_

Name of Bidder: \_\_\_\_\_

Authorised signatory: \_\_\_\_\_

Name of Authorised Signatory \_\_\_\_\_

Position of Authorised Signatory \_\_\_\_\_

By signing above the bidder hereby accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on him/her under this RFP.

**[Note to the Bidder: The Bidder must complete all relevant information set out below.]**

### CENTRAL SUPPLIER DATABASE (CSD) INFORMATION

<b>Bidders are required to be registered on the Central Supplier Database (CSD) of National Treasury. Failure to submit the requested information may lead to disqualification. Bidders are therefore required to submit as part of this proposal both their CSD supplier number and CSD unique registration reference numbers below:</b>	
<b>Supplier Number</b>	
<b>Unique registration reference number</b>	

### BIDDING STRUCTURE

<b>Indicate the type of Bidding Structure by marking with an 'X':</b>	
<b>Individual Bidder</b>	
<b>Joint Venture/ Consortium</b>	
<b>Prime Contractor with Sub Contractors</b>	
<b>Other</b>	

### REQUIRED INFORMATION

<b>If Individual Bidder:</b>	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	

<b>If Individual Bidder:</b>	
Email address	
Postal Address	
Physical Address	

<b>If Joint Venture or Consortium, indicate the following for each partner:</b>	
<b>Partner 1</b>	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Scope of work and the value as a % of the total value of the contract	
<b>Partner 2</b>	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Scope of work and the value as a % of the total value of the contract	

<b>If bidder is a Prime Contractor using Sub-contractors, indicate the following:</b>	
<b>Prime Contractor</b>	
Name of Company	
Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
<b>Sub contractors</b>	
Name of Company	
Company Registration Number	
Vat registration Number	
Contact Person	
Telephone Number	
Cellphone Number	
Fax Number	
Email address	
Postal Address	
Physical Address	
Subcontracted work as a % of the total value of the contract	



## Annexure 2: Tax Compliance Requirements

### 1. TAX COMPLIANCE REQUIREMENTS

- 1.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 1.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 1.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 1.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 1.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
- 1.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

### 2. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 2.1 IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  YES  NO
- 2.2 DOES THE BIDDER HAVE A BRANCH IN THE RSA?  YES  NO
- 2.3 DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  YES  NO
- 2.4 DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?  YES  NO

**IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 1.3 ABOVE.**

SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:	
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## Annexure 3: Supply chain management practices questionnaire

Request for Proposal No: \_\_\_\_\_  
 Name of Bidder: \_\_\_\_\_  
 Authorised signatory: \_\_\_\_\_

[Note to the Respondent: The Respondent must complete the information set out below. If the Respondent requires more space than is provided below it must prepare a document in substantially the same format setting out all the information referred to below and return it with Returnable Schedule 2.]

The bidder must complete the following questionnaire.

### Bidder's past supply chain management practices:

Item	Question	Yes	No
3.1	Is the Bidder or any of its directors listed on the South African National Treasury's database as companies or persons prohibited from doing business with the public sector?  (Companies or persons who are listed on this database were informed in writing of this restriction by the South African National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	If so, provide particulars:		
3.2	Is the Bidder or any of its directors listed on the Register for Bid Defaulters in terms of section 29 of the <i>Prevention and Combating of Corrupt Activities Act</i> No 12 of 2004?  To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> , click on the icon "Register for Bid Defaulters" or submit your written request for a hard copy of the Register to facsimile number +27123265445.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	If so, provide particulars:		
3.3	Was the Bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Item	Question	Yes	No
	If so, provide particulars:		
3.4	Does the Bidder relate to any IDC employee or part of IDC current or past staff (employee) establishment?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	If so, provide particulars:		
3.5	Was any contract between the Bidder and any organ of state (within the Republic of South Africa or within any foreign territory) terminated during the past five years on account of failure to perform on or comply with the contract?		
	If so, provide particulars:		

I, \_\_\_\_\_ (print name) hereby certify that the information, facts and representations are correct and that I am duly authorized to sign on behalf of the company.

Name of Company: \_\_\_\_\_

Company Registration Number: \_\_\_\_\_

Company VAT Registration Number: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## Annexure 4: Declaration of Interest

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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 a price quotation, advertised competitive bid, limited bid or proposal). 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>): .....

2.4 Company Registration Number: .....

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.

<sup>1</sup>“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.

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 the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attached 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.

2.7.2.2 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 (i.e. shareholder, partner, director etc.), aware of any relationship (family, friend, other) between any other bidder or any other company and any person employed by the IDC or the dti 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 company whether or not they are bidding for this contract? The IDC reserves the right to undertake further background checks on any other company where partners, shareholders or any interested party of the bidder may be involved in and to consider any findings in this regard as part of its vetting processes.

**YES/NO**

2.11.1 If so, furnish particulars:

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

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

Full Name	Identity Number	Personal Tax Reference Number	State Employee Number / Persal Number

1. DECLARATION

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT IDC MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

**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 *pe 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:

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<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;

---

<sup>3</sup> 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.

- (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.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## Annexure 6: Shareholders and Directors Information

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[Note to the bidder: the bidder must complete the information set out below. If the bidder requires more space than is provided below it must prepare a document in substantially the same format setting out all the information referred to below and return it with Returnable Schedule 2.]

### 6.1 Shareholders/ Members

Name of the shareholder	ID Number	Race	Gender	% shares

**Note: The bidder must also attach the detailed Company/ Group Structure where relevant.**

### 6.2 Black Shareholders/ Members as per the B-BBEE Certificate

Name of the shareholder	ID Number	Race	Gender	% shares
<b>Total Black Shareholding % as per the current and valid B-BBEE Certificate</b>				

**6.3 Directors**

Name of the shareholder	ID Number	Race	Gender

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

CERTIFY THAT THE INFORMATION FURNISHED ABOVE IS CORRECT.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder



<b>Property Types</b>	<b>Industrial buildings e.g. warehouses, manufacturing or processing plants/ factories etc.</b>	<b>Healthcare Facilities, e.g. specialised medical facilities, Medical equipment manufacturing plant</b>	<b>Leisure e.g. recreational facilities, lifestyle farming, hotels, guesthouses and lodges</b>	<b>Specialised properties, e.g. mines, quarries and mining rights</b>	<b>Agriculture, e.g. livestock, game and dairy, permanent crops, winery, cash crops, silos, cold storage, packing sheds</b>	<b>Service stations</b>	<b>Meat processing plants i.e. abattoirs</b>	<b>Energy : Renewable Independent Power Producers, Solar and Wind turbines, etc.</b>
Replacement valuations								
Lease Valuations								
Historical valuations								
Building conditions assessment								
Expropriation valuations								
Acquisition and alienations of properties								
Assets and assets verifications								

**Table A: Category B, C and D:**

<b>Bidder's/Valuer's Experience</b>	<b>Comply</b>
The bidder must demonstrate relevant experience in carrying out valuation on the following types of plant, equipment and machinery, amongst others:	
a) Manufacturing/ Processing Plants, etc.	
b) Healthcare and Pharmaceutical equipment.	
c) Automotive industry	
d) Mining	
e) Specialised industries, e.g. mines, quarries, fisheries, storage depots and aviation	
f) Agriculture, e.g. pack houses, farming equipment and implements, food process plants and storage facilities	
g) Green Industries and infrastructure e.g. wind tower and solar manufacturing plants	

**Table (b) Details of the bidder's current and past experience (please refer to Section 3 of this RFP document):**

Client' Name	Project description	Project Cost	Project period (Start and End Dates)	Description of service performed and extent of Bidder's responsibilities	Name, title and telephone contact of client

**Table (c) Details of the key personnel of the bidders' proposed team for the service categories the bidder is bidding for:**

Name	Position	Qualifications	Professional registration with applicable body (indicate the Body)	Role / Duties in this Project	Relevant Project Experience	
					Project description, Client, Project period	Project Cost

**Table (d) Bidder's geographical work coverage:**

Bidders must indicate with a tick the province they can render the service in:

Bidder's geographical work coverage	Tick
North West	
Gauteng	
Mpumalanga	
Northern Cape	
Western Cape	
Kwa-Zulu Natal	
Free State	
Limpopo	
Eastern Cape	



## **Annexure 8: BEE Commitment Plan**

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The IDC encourages existing vendors and prospective bidders to support the objectives of B-BBEE and as far as possible strive to improve their B-BBEE contribution status. For bid evaluation purposes, bidders are allocated points in terms of a preference point system based on the B-BBEE Contribution Level status that is in accordance with a valid B-BBEE certificate.

Bidders are therefore required to submit a B-BBEE improvement plan in view of the new B-BBEE Codes of Good Practice. Bidders must indicate the extent to which their ownership, management control, employment equity, preferential procurement and enterprise development will be maintained or improved over the contract period in the event that they are successful in this bid process.

## Annexure 9: Disclosure Statement

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### **Disclosure Statement**

**In terms of the tender condition 8.6, which allows the IDC to conduct background checks on bidders and its shareholders and directors, the IDC hereby requires bidders to provide the following additional information:**

- 9.1 The IDC considers the integrity of its appointed service providers to be of critical importance. The IDC reserves the right to disqualify from further consideration, any bidder whose integrity, based on past conduct (during the 5 years immediately preceding the bid submission date), it considers questionable.
- 9.2 To this end, the IDC requires each bidder to include in its bid, a disclosure statement which details the following (with sufficient information and supporting documentation for the IDC to make its own assessment as to the materiality or seriousness of allegations regarding the bidder's integrity or conduct):
  - 9.2.1 any criminal charges made against the bidder or any of its directors, shareholders or management officials regarding their professional conduct;
  - 9.2.2 any civil proceedings initiated against the bidder or any of its directors, shareholders or management officials regarding their professional conduct; and
  - 9.2.3 any other enquiry or similar proceedings initiated or threatened against the bidder or any of its directors, shareholders or management officials regarding their professional conduct.
- 9.3 Where the bidder is a consortium, the disclosure statement referred to in paragraph 9.2 above must be made separately in respect of each consortium partner
- 9.4 In the event that the bidder's circumstances change, after submission of its bid, in regard to any matter referred to in paragraph 9.2 above or in regard to any matter referred to in its disclosure statement, the bidder must submit a written notification to IDC indicating the nature and extent of such changed circumstances.
- 9.5 The IDC reserves the right to seek such additional information from any bidder, in respect of the disclosure statement referred to in paragraph 9.2 above, as it may, in its sole discretion, determine, whether such information has been requested under this RFP or otherwise, and may require the bidder to make oral presentations for clarification purposes or to present supplementary information, in respect of the disclosure statement if so required by the IDC.
- 9.6 Based on its own assessment of the contents of the bidder's disclosure statement and any publicly available information which is relevant to the contents of such disclosure statement, the IDC will decide whether the bidder's conduct or any allegations relating thereto pose a risk, reputational or otherwise, to the IDC; and if it reaches an adverse conclusion the IDC will in its sole discretion have the right to disqualify a bidder from further participation in the tender process. Disqualification on this ground may be done at any stage in the bid evaluation process prior to contract award.

## Annexure 10: Local Content Declaration (If Relevant)

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This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

### 2. General Conditions

- 2.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 2.2. Regulation 8(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 2.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 2.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 2.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) on the date of advertisement of the bid as indicated in paragraph 3.1 below.

**The SABS approved technical specification number SATS 1286:2011 is accessible on <http://www.thedti.gov.za/industrial development/ip.jsp> at no cost.**

2.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

**3. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

3. Does any portion of the goods or services offered have any imported content?

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

3.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on [www.resbank.co.za](http://www.resbank.co.za)

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

- Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

**LOCAL CONTENT DECLARATION**

**(REFER TO ANNEX B OF SATS 1286:2011)**

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID NO. ....**

**ISSUED BY: IDC**

NB

- The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/ip.jsp). Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, ..... (full names),  
do hereby declare, in my capacity as .....  
of .....(name of bidder  
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
  - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.**

**The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 above and the information contained in Declaration D and E.**

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_