



CALL FOR BIDS

BID NO: ECDC/EOI/ELN/335-342/082021

BID SUBJECT: **EXPRESSION OF INTEREST BIDS ON TRIPLE NET LONG-TERM DEVELOPMENT LEASES ON STRATEGIC INVESTMENT PROPERTY**

Consisting of:

The Request for Services (Returnable) - This Document

Issued by:

Prepared By:

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BIDDER NAME :

CSD NUMBER:

CLOSING DATE:	19 November 2021
CLOSING TIME:	12h00

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www.ecdc.co.za

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**SECTION A:
A: EXECUTIVE SUMMARY**

It is the intention of the Eastern Cape Development Corporation to enter into a formal long-term Triple Net Development Lease arrangement with the successful bidder (Stage 3) to provide long-term annuity income via rental income over the period of the lease and to provide assistance with infrastructure development and refurbishment of its strategic assets.

Assessment will be carried out using a phased approach in order to carefully consider the viability of all bids received.

PHASE 1 – ADMINISTRATIVE, CONCEPT, FUNCTIONALITY & DEVELOPMENTAL ASSESSMENT (THIS BID PROPOSAL DOCUMENT)

During this current phase, the ECDC wishes to solicit proof of concept bids for the refurbishment / development of certain of its strategic properties to be further subjected to technical and financial feasibility during a later stage 2. Phase 1 will address the following:

1. Pre-qualification / administrative compliance
2. Stage 1 – functional / concept / development partnership assessment –
 - 2.1 Provide a comprehensive concept document with the minimum requirements as indicated in section 1.7.3 of this bid document.
 - 2.2 Provide information / supporting documentation on ability of the bidder to carry out the concept as proposed as indicated in section 1.7.3 of this bid document.

Based on the outcome of the assessment thereof, qualifying and short-listed bidders will then be invited to submit their final business plan proposals in phase 2. Non-qualifying bidders will not be further assessed at this stage.

PHASE 2 – TECHNICAL AND FINANCIAL ASSESSMENT (ON INVITATION ONLY BASED ON OUTCOME OF COMPLIANCE AND SCORING DURING PHASE 1)

Business & Financial plan Technical Evaluation

Only short-listed bidders who have achieved the minimum qualifying score for stage 1 will be invited to participate in stage 2.

At this stage clear development specifications, financial business plans, loan financing arrangements and lease payment proposals must be submitted which extend across the entire lease term.

A comprehensive list of expectations will be submitted at the time the invitation is extended to qualifying bidders.

Each proposal will be evaluated during this phase and scored on a risk adjusted basis using generally accepted capital budgeting techniques of Equivalent Annual Annuity Approach (EAA) which can fairly adjust and compare differing term proposals.

PHASE 3 – FINAL PRICE DETERMINATION (PREFERENTIAL PROCUREMENT POINTS)

Should financial viability be demonstrated to the satisfaction of ECDC during the Phase 2 assessment, qualifying bids will move onto the final stage of assessment where price and B-BBEE Points will be calculated in accordance with the reverse income formula as derived in National Treasury Regulation FRRTP 01 /2021/02 on either a 80/20 or 90/10 principle, whichever is applicable.

The EAA derived per stage 2 will be the price effectively analysed in line with the applicable formula per this circular.

At this stage, the highest “price” will be determined as the winning bidder, subject to ECDC delegation framework processes.

SECTION A: B: ABBREVIATIONS AND ACRONYMS	
B-BBEE	Broad-based Black Economic Empowerment
B-BBEEA	Broad-based Black Economic Empowerment Act 53 of 2003
B-BBEE Codes	Broad-based Black Economic Empowerment Codes of Good Practice-2007
CIDB	Construction Industry Development Board
DTI	Department of Trade and Industry
ECDC	Eastern Cape Development Corporation
EME	Exempt Micro Enterprise
IRBA	Independent Regulatory Board of Auditors
PCCA	Prevention and Combating of Corrupt Activities Act 12 of 2004
PFMA	Public Finance Management Act (Act 1 of 1999)
PPPFA	Preferential Procurement Policy Framework Act (Act 5 of 2000)
QSE	Qualifying Small Enterprise
SABS	South African Bureau of Standards
SANAS	South African National Accreditation System
SARS	South African Revenue Service
SASAE	South African Standard on Assurance Engagements
SCM	Supply Chain Management
SMME	Small, Medium and Micro Enterprises
ToR	Terms of Reference
CSD	National Treasury Central Supplier Database for South African Government
OEM	Original Equipment Manufacturer
C: DEFINITIONS	
Acceptable tender	Means any tender which, in all respects, complies with the specifications and conditions of tender as set out in the tender document.
Accreditation Body	Means the South African National Accreditation System or any other entity appointed by the Minister from time to time whose function it is to: Accrediting verification agencies Developing, maintaining and enforcing of Verification Standards
Affordable	Means (in terms of a PPP-Agreement) that the financial commitments to be incurred can be met by funds: Designated within ECDC's existing budget for the function to which the agreement relates; and Destined for ECDC in accordance with the relevant Treasury's future budgetary projections.
All applicable taxes	Includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.
B-BBEE status level of contributor	means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
Bid	Means a written offer or proposal to supply goods and/or provide services, submitted in response to the ECDC's invitation to quote or submit proposals which includes advertised competitive bids, written price quotations or proposals.

Bid Specification	A specification that lays down the characteristics of goods to be procured or their related processes and production methods, or the characteristics of services to be procured or their related operating methods, including the applicable administrative provisions, and a detailed requirement relating to conformity assessment procedures that an entity prescribes and shall include TOR for specialised services.
Black People	means 'African', 'Indian' and 'Coloured' people who are citizens of the Republic of South Africa by birth; or are citizens of the Republic of South Africa by naturalisation before the commencement date of the Constitution of South Africa Act (1993); or became citizens of the Republic of South Africa after the commencement of the of the Constitution of South Africa Act (1993), but who for the Apartheid policy that has been in place to that date, would have been entitled to acquire citizenship by naturalisation prior to that date.
Broad based black empowerment	Means broad-based black empowerment means the empowerment of all black people including women, workers, youth, people with disabilities and people living in rural areas through diverse but integrated social-economic strategies that include, but are not limited to: Increase the number of black people that manage, own and control enterprises and productive assets; Facilitating ownership and management of enterprises and productive assets by communities, workers, cooperatives and other collective enterprises Human resources and skills development Achieving equitable representation in all occupational categories and levels in the workforce Preferential procurement; and Investment in enterprises that are owned or managed by black people.
Broad based black empowerment Act	means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)
Close family member	Shall mean: - member of the same household, parent (including adoptive parent), parent-in-law, son (including adoptive son), son-in-law, daughter (including adoptive daughter), daughter-in-law, step-parent, step-son, step-daughter, brother, sister, grandparent, grandchild, uncle, aunt, nephew, niece, the spouse or unmarried partner with relation to any of the person's above.
Code of Ethics	refer to the ECDC Code of Ethics for Management and Staff as may be amended from time to time.
Comparative price	Means the price after the factors of a non-firm price and all the unconditional discounts that can be utilised have been taken into consideration.
Consortium or joint venture	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.
Contract	Means the agreement that results from the acceptance of a bid by ECDC.
Designated sector	Means a sector, sub-sector or industry that has been designated by the DTI in line with national development and industrial policies for local production, where on local produced goods or locally manufactured goods meet the stipulated minimum threshold for local production and content.
Duly sign	means a document that has been signed by the 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).
Exempt Micro Enterprise (EME)	means an enterprise with a specified total annual revenue as per Department of Trade and Industry Codes of Good Practice on Broad Based Black Economic Empowerment
Family member	Means a husband or wife, any partner in a customary union according to indigenous law or any partner in a relationship where the parties live together in a manner resembling a marital partnership or a customary union; and

	any person related to either one or both persons referred above within the second degree through a marriage, a customary union or a relationship or the third degree of consanguinity.
Firm price	Means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract.
Fronting	Means a deliberate circumvention or attempted circumvention of the B-BBEE Act and the Codes. Fronting commonly involves reliance on data or claims of compliance based on misrepresentation of facts, whether made by the party claiming compliance or by any other person.
Functionality	Means the measurement according to predetermined norms, as set out in the tender documents, of a service or commodity that is designed to be practical or useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of the tenderer.
Imported content	Means that portion of the tender price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the bidder or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African port of entry.
In the service of the state	means: an employee of any municipality who has a performance contract with the municipality and is employed on a permanent, temporary or short term basis. an employee or public servant of any national or provincial government as defined in terms of Public Services Act. a member who – is a councillor of any municipal council as defined in the Local Government Municipal Structures Act (Act No 117 of 1998); is a politician serving in any provincial legislature; or is a politician serving in the National Assembly or the National Council of Provinces; a member of the board of directors of any municipal entity; an employee and a member of a government owned entity as defined in the Public Finance Management Act (Act No 1 of 1999); and / or such other meaning ascribed to it by National Legislation from time to time.
Local content	Means a portion of the tender price which is not included in the imported content, provided that local manufacture does take place.
Non-firm prices	Means all prices other than “firm” prices
Person	Includes a juristic person.
Price Quotation	An estimate describing the product, stating its price, time of shipment, and specifies the terms of the sale and terms of the payment.
Property	Includes all movable and immovable property and intellectual property belonging to ECDC.
Public Private partnership	Means a commercial transaction between ECDC and a private party in terms of which: the private party either performs a function o.b.o. ECDC for a specified or indefinite period, or acquires the use of state property for its own commercial purposes for a specified or indefinite period; the private party receives a benefit for performing the function or by utilising state property, either by way of:

	compensation from a revenue fund charges or fees collected by the private party from users or customers of a service provider to them; or a combination of such compensation and such charges or fees
Qualifying small entity	means an enterprise with a specified total annual revenue as per Department of Trade and Industry Codes of Good Practice on Broad Based Black Economic Empowerment
Rand value	means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties.
Related enterprise	Means an entity controlled by a measured entity whether directly or indirectly controlled by the natural persons who have direct or indirect control over that measured entity or the immediate family of those natural persons.
Service Level Agreement	Shall have the same meaning assigned as "Contract"
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.
State	Means: any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the PFMA any municipality or municipal entity national Assembly or the national Council of Provinces; or parliament
Stipulated minimum threshold	Means that portion of local production and content as determined by the DTI
Sub-Contract	Means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract.
Tender	The same meaning is assigned as 'Bid" above.
Threshold	Shall mean the financial limits on the value of goods or services to be procured as set and prescribed in this policy which shall determine the manner in which these goods and services will be procured
Total revenue	Means the total income of an entity from its operations as determined under South African Generally Accepted Accounting Practice.
Triple net lease arrangement	Means the lease of property where the tenant assumes the responsibility for further obligations including covering the cost of maintenance, paying rates and taxes and the payment of all insurances.
Trust	Means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.
Trustee	Means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.
Value for Money	Means that the item (public-private partnership agreement) results in a net benefit to ECDC defined in terms of cost, price, quality, quantity, or risk transfer, or a combination thereof.

SECTION B

1. General Information

1.1 Invitation to Bid

Eastern Cape Development Corporation (ECDC) invites service providers with a proven track record, to submit proposals of concept for the refurbishment and development of strategic ECDC investment property assets under a triple net long-term lease arrangement.

1.2 Eligibility to bid/Minimum Requirements

- a) Service Providers must ensure that all the required returnable documents and annexures are submitted together with this bid document, are fully completed and signed as required in Table 1 below for mandatory returnable and Annexures.

1.3 Estimated timeline

Activity		Date	Time
	Placing of Advert	Friday 13th August 2021	N/A
	Compulsory Briefing Meeting	<p>There will be a compulsory briefing meeting on Friday 3 September 2021 at 10H00. This will be a virtual briefing and prospective bidders are required to register for the briefing session in order to receive an invitation for the session. For any enquiries relating to this Bid please email the procurement department at tenders@ecdc.co.za, attention S Vanda.</p> <p>Bidders should send an email to ECDC Procurement at tenders@ecdc.co.za to register their interest in attending the briefing session and in submitting a bid.</p> <p>Answers/Clarity on Bid will be posted on the website at www.ecdc.co.za</p>	
	Last day of questions	12th November 2021	N/A
	Final date of submission of bids	19th November 2021	12h00 pm
	Bid Validity	12 months	

1.4 Compulsory Briefing Session

There will be a compulsory briefing which will be held on **Friday 3 September 2021 at 10h00**.

Bidders should send an email to ECDC Procurement at tenders@ecdc.co.za to register their interest in submitting this bid stating the following:

- ✓ Bid Number
- ✓ Name of the Bidder
- ✓ Contact Person
- ✓ Contact Details

Bidders must register their interest in submitting a bid before 16h30 on Wednesday 1 September 2021. Invitations to attend the compulsory briefing session will be issued on Thursday 2 September 2021 to all bidders who have registered for the compulsory online briefing session.

For any subsequent enquiries after the compulsory briefing session relating to this Bid, please email the ECDC procurement department at tenders@ecdc.co.za for attention S Vanda and quote the Bid No.

Communication with the Bidders and any clarity, queries of the Bid and answers to the queries will be posted on the website at www.ecdc.co.za and will also be communicated to the bidders via email where the Bidder has indicated to ECDC that they are interested in submitting a bid.

1.5 Submission of Bid Documents

The entire duly signed and completed bid document together with any attachments or annexures must be submitted as follows:

- a) Bids to be placed in sealed envelopes in the Bid Box on or before the final date and time of submission of proposals as indicated above labelled clearly as follows:

Bid Reference Number:

Bid Reference Number	Bid description	Address
ECDC/EOI/ELN/335/082021	Development Opportunity - Coffee Bay Hotel	Main Road, Coffee Bay
ECDC/EOI/ELN/336/082021	Development Opportunity - Development House	Cnr York and Elliot Roads, Mthatha
ECDC/EOI/ELN/337/082021	Development Opportunity - Transido Elliot Street	Cnr Elliot and Stanford Terrace/Coake St, Mthatha
ECDC/EOI/ELN/338/082021	Development Opportunity - Clanleigh Flats	4 Grey Street, Queenstown
ECDC/EOI/ELN/339/082021	Development Opportunity - Hillcrest	Nqadi & Hughes Street, Hillcrest, Mthatha
ECDC/EOI/ELN/340/082021	Development Opportunity - Mdantsane Mall	Makinana Street, Unit 2, Mdantsane
ECDC/EOI/ELN/341/082021	Development Opportunity - Erf 1477 , Mdantsane	Jiba Street, Mdantsane R, Mdantsane
ECDC/EOI/ELN/342/082021	Development Opportunity - Windsor Hotel	Sutherland Street, Mthatha

Project Name: Refer above

Attention: S VANDA

Delivered at: ECDC HEAD OFFICE AT ECDC HOUSE,
OCEAN TERRACE PARK, MOORE STREET,
QUIGNEY, EAST LONDON.

IMPORTANT

All bid documents are to be **completed in black permanent ink**.

- a) **No alterations of the Bid Document will be allowed.**
- b) **No correction fluid will be allowed. Corrections should be initialled.**
- c) **One original duly signed (by authorised representative) and completed bid document MUST be submitted inclusive of the terms and conditions of this bid document.**

A PDF soft copy of the duly signed and completed original bid (e.g. PDF format in Flash drive/disc) should be submitted with the Original duly signed and completed hardcopy bid document however non-submission of a soft copy will not result in the Bid being disqualified

- d) **No faxed, email, proposal/bid will be accepted. No late submissions will be eligible for consideration by ECDC.**
- e) **The bid box is open on weekdays between 08h00am and 16h30pm.**

1.6 Preferential Procurement

This bid is subject to the Preferential Procurement Policy Framework Act and the Preferential Procurement Regulations, 2017 as applicable to Provincial Government Business Enterprises as listed under Schedule 3(D) of the Public Finance Management Act and the ECDC Procurement Policy as amended from time to time. Please note that this bid takes the implications of Treasury Circular PPPFA 01 2021/22 – formulae in regulations 6(1) and 7(1) of preferential procurement regulations, 2017, on disposal, leasing and other income generating procurement principles into account which comes into effect on the 1 August 2021.

1.7 Evaluation Criteria

All submitted proposals will be evaluated in the following stages:

Pre- Qualification/Administrative - Compliance	Service Providers are to meet all the Mandatory Requirements in order to be evaluated further. Failure to submit the Mandatory Requirements in the form requested, as required will result in the bid being disqualified.
Stage 1	<p>Involves an evaluation of capacity, functionality and concept only – At this stage Bidders must score a minimum score depending on the extent of the proposed lease arrangement as follows:</p> <ol style="list-style-type: none">1. Property bid (development & lease) for property values as held in our asset register between 0- R2million – 60% minimum score2. Property bid (development & lease) for property values as held in our asset register above R2 million but less than R5 million – 70% minimum score3. Property bid (development & lease) for property values as held in our asset register above R5 million – 80% minimum score <p>ECDC reserves the right to further shortlist the top three scorers that meet these functionality scoring requirements.</p> <p>The shortlisted bidders will be invited to submit detailed proposals for Stage 2.</p>

<p>Stage 2</p>	<p>Business plan Technical Evaluation Only short listed bidders who have achieved the minimum qualifying score for stage 1 will be invited to participate in stage 2.</p> <p>At this stage clear development specifications, financial business plans, loan financing arrangements and lease payment proposals must be submitted which extend across the entire lease term.</p> <p>Each proposal will be scored on a risk adjusted basis using generally accepted capital budgeting techniques of Equivalent Annual Annuity Approach (EAA) which can fairly adjust and compare differing term proposals.</p> <p>The minimum and maximum least terms allowed in terms of the bid proposals will be between 10-30 years.</p>
<p>Stage 3</p>	<p>Preferential Procurement points: Price and B-BBEE Points will be calculated in accordance with the reverse income formula as derived in National Treasury Regulation FR RTP 01 /2021/02 on either a 80/20 or 90/10 principle, whichever is applicable.</p> <p>The EAA derived per stage 2 will be the price effectively analysed in line with the applicable formula per this circular.</p>

1.7.1 Bid Validity Period

Responses to this tender received from bidders will be valid for a period of 12 months counted from the closing date of the tender being the 19th November 2021.

1.7.2 Pre-Qualification Stage (Mandatory Requirements)

Bidders to meet the following Mandatory Requirements in order to be evaluated on stage 1;

Table 1: Mandatory Requirements

Description	Mandatory Requirement for Award	Disqualification if not submitted with Bid or Bidder is found to be Non-Compliant at the Time of Bid Close
<p>1. Bidders must be registered on the National Treasury Central Supplier Database (CSD). The following information will be verified on the National Treasury Central Supplier Database:</p> <ul style="list-style-type: none"> • Business Registration including details of directorship and membership, - The bidders' Business Registration Status will be verified on the CSD prior to the bid award and where the preferred bidders status is under deregistration, 5 working days will be granted for remedy, failing which the bidder will be disqualified. • ID Number, • Government Employee • Tender Defaulting and Restriction Status - Should the Tender be a restricted supplier or a defaulting supplier they will be disqualified <p><u>Onus on the Service Provider</u></p> <p>Onus is on the Service Provider to make sure that all these are active and compliant on the CSD at the time of bid closing and tender award.</p> <p>ECDC will verify if the Service Provider has been registered on CSD. Service Provider to submit CSD Number as required in the Cover Page. It is the responsibility of the Service Provider to ensure that the correct CSD Number is provided.</p> <p>If Service Provider is not registered on CSD by the time of closing of the bid they will not be considered for evaluation.</p> <p><u>Directors in the Service of State</u></p> <p>No quotations/bids will be considered from persons in the service of the state, companies with directors who are persons in the service of the state or close corporations with members in the service of the state.</p> <p><u>JV's and Consortium</u></p> <p>Where the Bidder is a JV/Consortium, each firm must be registered on the CSD.</p>	<p>Yes</p>	<p>Yes</p>

2.	<p>Duly signed Letter of Authority MUST be submitted authorising the individual to sign on behalf of the bidder if:</p> <p>a) If there are more than one Owner/ Director / Shareholder / Member / Trustee etc. OR</p> <p>b) If there is only one Director / Shareholder / Member / Trustee / Owner etc. and they are not the one completing the bid document.</p> <p>Note: The Letter of Authority MUST be signed by all directors of the Bidder (or a signed Board Resolution authorising the signatory will be accepted – Board resolution to be signed by Board Chairperson and Company Secretary).</p>	Yes	Yes
3.	Annexure A – Supplier Information (SBD 1) (Completed and signed by the delegated authority)	Yes	Yes
4.	Annexure B– Minimum Technical Requirement (Signed and Completed by delegated authority)	Yes	Yes
5.	Expression of interest offer (Completed and Signed offer by the delegated authority – only mandatory during Phase 2 of the process)	No	No
6.	Annexure H – Indicative Pricing schedule – Phase 1 (Signed and Completed by delegated authority)	Yes	Yes
7.	Annexure I - (SBD 4): Declaration of interest (bidder); (Signed and Completed by delegated authority)	Yes	Yes
8.	Annexure J – (SBD 8): Declaration of bidders past supply chain management practices; (Signed and Completed by delegated authority)	Yes	Yes
9.	Annexure K – (SBD 9): Certificate of independent Bid determination (Signed and Completed by delegated authority)	Yes	Yes
10.	Preference Point Claim in terms of the Preferential Procurement Regulations 2017	No	No

11.	<p>Attach a valid Original or Certified copy of valid original B-BBEE Certificate from an accredited verification agency or a valid Original or Certified Copy of valid B-BBEE Sworn Affidavit from a Commissioner of Oath.</p> <p>Failure to submit either the original or a certified copy of the original will result in awarding of 0 (zero) points preference points under BBEE during Phase 2 and further under section 2.. A copy of a certified copy will not be accepted</p> <p>Note:</p> <p>A trust, consortium or joint venture must submit a consolidated Original or Certified Copy of B-BBEE Status Level Verification Certificate in order to qualify for points.</p>	No	No
12	Signed, most recent audited Annual Financial Statements as per requirements of Companies Act i.e most recent will mean the date that falls within 6 months after year end prior to bid closure date.	Yes	Yes
13.	Register intention to Bid to ECDC	Yes	Yes
The following will be applicable to Joint Ventures/Consortium			
14.	Consortium/Joint Venture Agreement or letter of intent to enter in a Consortium / Joint Venture signed by all Consortium Members who are Duly Authorized.	Yes	Yes
15.	Resolution of the Board of Directors to enter into a Consortium/Joint Venture from each member firm of the Consortium/Joint Venture for this Bid. Board resolution to be signed by Board Chairperson and Company Secretary.	Yes	Yes
16.	Letter of Authority of Signatory(individual) authorizing the Signatory to sign on behalf of the Consortium/JV. This letter of authority must be signed by the Board Chairperson as well as the Company Secretary of each member firm of the Consortium / JV).	Yes	Yes
17.	<p>Attach a valid Original or Certified copy of valid Original Consolidated B-BBEE Certificate from an accredited verification agency</p> <p>Failure to submit either the valid original or a certified copy of the valid original will result in awarding of 0 (zero) points preference points under BBEE. (A copy of a certified copy will not be accepted</p>	No	No

KINDLY NOTE THAT, FAILURE TO SUBMIT THE REQUIRED MANDATORY DOCUMENTATION WITH THE BID WILL RESULT IN YOUR BID BEING DISQUALIFIED WITHOUT FURTHER CONSIDERATION.

Additional Information required:

- **Bidder to submit** an original or Certified copy of original B-BBEE Certificate from an accredited verification agency or an Original or Certified Copy of B-BBEE Sworn Affidavit from a Commissioner of Oath.
- Submit Combined Original or Certified original copy B-BBEE certificate for Consortium/Joint Ventures from an accredited verification agency.

1.7.3 Stage 1 – Functionality / Concept / Development Partnership Evaluation Criteria

Involves an evaluation of capacity, functionality, concept assessment only – At this stage bidders must score a minimum score as described below in order to be evaluated for stage 2 (Technical assessment).

Bidders must score a minimum score depending on the extent of the proposed lease arrangement as follows:

1. Property bid (development & lease) for property values between 0- R2million – 60% minimum score
2. Property bid (development & lease) for property values above R2 million but less than R5 million – 70% minimum score
3. Property bid (development & lease) for property values above R5 million – 80% minimum score

Functional scoring table to be used – determining whether 80/20 or 90/10 function scoring table is applicable

In order to establish which scoring principle will apply at the functionality assessment stage, Item 2 (Preliminary estimates of works) and relevant portions of Item 6 (being the expected rental receivable by ECDC over the expected lease term), per technical requirements under the concept document (Annexure B – Technical Specifications & Annexure H – Indicative Pricing schedule), will be used to perform a preliminary estimate of the “Price” using the Equivalent Annual Annuity Approach (EAA) in order to categorise which scoring table will be used to score the functionality.

It is therefore in the interest of the bidders to ensure that the initial assessments are as accurate as possible in this regard.

Where, based on this above analysis, competing bids are received in respect of the same property that fall both above and below the threshold of R50 million, the highest value bid amount will be used to determine the scoring table to be used, and as such the 90/10 scoring principle for functionality table will be used for all bidders on this property.

ECDC reserves the right to further shortlist the top three scorers that meet these functionality scoring requirements.

Equal scoring considerations

Where there are more than 3 bidders that achieve equal highest scores, the ECDC further reserves the right to select who the 3 short-listed bidders will be, using the following further basis:

1. Firstly: Take the 3 highest qualifying bids with the highest BEE scores per valid original BEE certificates provided.
2. Secondly: Take the 3 highest qualifying bids with the highest proof of concepts scores (per Part D below). Where these scores are all equal between all qualifying bidders, then ECDC may
3. Thirdly: Take the 3 highest qualifying bids with the highest development partnerships and location content score (per Part E below).
4. Lastly: Should two or more bidders/tenderers be equal in all respects; the award shall be decided by the drawing of lots.

Scoring matrix summary:

Part A: Experience & capacity of the Bidder	35 points
Part B: Experience & capacity of the Construction Developer	20 points
Part C: Financial health of the bidder	10 points
TOTAL FUNCTIONALITY POINTS	65 POINTS
Part D: Proof of concept	20 points
Part E: Development partnerships & Locality	15 points
TOTAL POINTS	100 POINTS

Bid proposals over R50 million 90/10 scoring principle:

CRITERIA FOR FUNCTIONALITY 90/10	
A. EXPERIENCE & CAPACITY IN INFRASTRUCTURE DEVELOPMENT AND LONG-TERM DEVELOPMENT LEASE ARRANGEMENTS OF BIDDER (35 points)	
<p>1. <u>Experience of the bidder (25 Points)</u></p> <p>1.1 <u>Previous project experience (9 points)</u></p> <p>1.1.1 Have performed or brokered successful property development projects on a long-term lease arrangement basis, or other similar developments, in excess of 120% of current capital development cost proposed per concept document (minimum of 1 project in the last 10 years) held under a long-term lease for no less than 10 years – maximum 9 points.</p> <p>1.1.2 Have performed or brokered successful property development projects on a long-term lease arrangement basis, or other similar developments, in excess of 100% of current capital development cost proposed per concept document (minimum of 1 project in the last 10 years) held under long-term lease for no less than 10 years – 6 points.</p> <p>1.1.3 Have performed or brokered successful property development projects on a long-term lease arrangement basis, or other similar developments, in excess of 80% of current capital development cost proposed per concept document (minimum of 1 project in the last 10 years) held under long-term lease for no less than 10 years – 2 points</p> <p>1.1.4 Less than 80% or first development project – nil points awarded</p> <p><u>Documents to be submitted for Scoring of 1.1 above</u></p> <p>1. Complete Company Profile 2. Signed lease and/or development agreements on existing and/or previous projects which clearly state development amounts.</p> <p>1.2 <u>Previous finance raising experience (8 points)</u></p> <p>1.2.1 Have raised project finance in excess of 120% of current projected capital development cost proposed per concept document and currently has ability to raise 120% thereof based on own balance sheet / other institutional funding arrangement – 8 points maximum</p> <p>1.2.2 Have raised project finance in excess of 100% of current projected capital development cost proposed per concept document and currently has ability to raise 100% thereof based on own balance sheet / other institutional funding arrangement – 6 points maximum</p> <p>1.2.3 Have raised project finance in excess of 80% of current projected capital development cost proposed per concept document and currently has ability to raise 80% thereof based on own balance sheet / other institutional funding arrangement – 2 points maximum</p> <p>1.2.4 Less than 80% raised in the past or less than 80% ability to raise on own balance sheet / other institutional funding arrangement or no previous experience with raising finance for development infrastructure – nil points awarded</p> <p><u>Documents to be submitted for Scoring 1.2 above</u></p> <p>1. Proof of having raised project financing in excess of values indicated (in percentage form) above in the last 10 years, proof of existing bonds/loan agreements/financing arrangements. 2. In-principle agreements from Registered reputable bankers / and registered <u>institutional funders</u> for funding ability on new projects.</p>	<p>9</p> <p>8</p>

<p>1.3 Previous strength in property management negotiating tenants / property management experience (8 points)</p> <p>1.3.1 Have gained experience in the last 10 years working with Government / Public Entities / Private Sector in providing:</p> <ol style="list-style-type: none"> 1. Office space 2. Housing Development 3. Commercial shopping center complex <p><u>Scoring will be on the following basis:</u> 4 anchor tenant leases (of similar value per concept) and above – 4 points 3 anchor tenant leases (of similar value per concept) and above – 3 points 2 anchor tenant leases (of similar value per concept) and above – 2 points 1 anchor tenant leases (of similar value per concept) and above – 1 points</p> <p>1.3.2 Have relevant property management experience which cover the full spectrum of tasks involved from sub-lease management inception, billings, recoveries / debt collection, repairs and maintenance, legal issues.</p> <p><u>Scoring will be on the following basis</u></p> <ol style="list-style-type: none"> 1. Substantial portfolio of similar sizing to expected rental to be charged to sub-tenants per concept – 25 leases and above – 4 points 2. Large portfolio of similar sizing to expected rental to be charged to sub-tenants per concept – 20 leases and above – 3 points 3. Medium portfolio of similar sizing to expected rental to be charged to sub-tenants per concept – 10 leases and above – 2 points 4. Small portfolio – 5 and above – 1 points <p><u>Documents to be submitted for Scoring of 1.3 above</u></p> <ol style="list-style-type: none"> 1. Proof of experience gained during past 10 years in working with government departments / private sector in tenancy arrangements for scoring of item of 1.3.1. 2. Provide anchor tenant lease agreements in the name of bidder as lessor dated no more than 10 years ago for scoring of item of 1.3.1 3. Provide rent-roll and debtors ledger as evidence of number and value in portfolio for scoring under item 1.3.2 	<p>4</p> <p>4</p>
<p><u>2. Capacity of the bidder (10 points)</u></p> <p>The bidder must have the following qualified professionals in-house or part of an existing project team on a sub-contracted basis. Each staff member is to be a registered member of a professional body and have a minimum of 10 years industry experience, post qualification:</p> <ol style="list-style-type: none"> 1. Project managers 2. Legal Advisor 3. Financial team 4. Marketing and Leasehold management team <p>Points will be scored on the following basis At least 80% in house – 10 points At least 60% in-house – 5 points 100% previously outsourced on previous projects – 3 points All new team members being outsourced – 1 points No existing team – 0 points</p> <p><u>Documents to be submitted for Scoring:</u></p> <p>The bidder is to submit an organogram with CV's (or Complete Annexure C) of the individuals with commissioned valid accreditation/training certificates or qualifications for the relevant</p>	<p>10</p>

<p>professional body for each member of the technical team. (Experience of the team will be averaged)</p> <p>Where these professionals are not insourced, provide the following:</p> <ol style="list-style-type: none"> 1. Letters of reference on a letterhead, attesting to previous projects conducted as part of project team for the bidder, indicated the value of scope of works for project. 2. Letter of intent as to current proposal 	
<p>B. EXPERIENCE AND CAPACITY TRACK RECORD OF CONSTRUCTION DEVELOPER – Provide reference letters from previous clients (20 points)</p>	
<p>1. <u>Experience of the Construction Developer</u></p> <p>The bidder must demonstrate the relevant experience in Property Development of the Construction Company proposed to carry out the works as per concept, providing at least 3 reference letters from them in providing similar work done to the value as proposed by the concept document.</p> <p>The projects should be supported by a signed reference letter which must be on client's letter head and should include:</p> <ol style="list-style-type: none"> 1. The company name, contact person, contact details (telephone number and/or email address) 2. The type of project that was satisfactorily completed, 3. Value of works 4. Completion certificates, photographs and details of the infrastructure or the 5. Confirmation that the works were provided satisfactorily. 	<p>10</p>
<p>2. <u>Capacity of the Construction Developer</u></p> <p>The bidder must have the following qualified professionals in-house or part of an existing project team on a sub-contracted basis. Each staff member is to be a registered member of a professional body and have a minimum of 10 years industry experience, post qualification:</p> <ol style="list-style-type: none"> 1. Architect (SACAP registered) = 1 points 2. Quantity Surveyor (SACQSP registered) = 2 points 3. Registered Professional Engineer (Structural) (ECSA registered) = 2 points 4. 1 <u>Dedicated</u> Construction project managers (lead agent) for this concept = 4 point maximum 5. SHEQ consultants = 1 point <p><u>Documents to be submitted for Scoring:</u></p> <p>Bidder to submit CV's and company profiles of the individuals forming part of the professional team with commissioned valid accreditation/training certificate or qualifications for the relevant professional body for each member of the technical team.</p>	<p>10</p>

<p>C. FINANCIAL HEALTH OF BIDDER (10 points)</p> <p>1. <u>Financial reporting system in use –</u></p> <p>The bidder must provide proof of the use of formal software packages for accounting and property management systems to be used for the development lifespan of the project and that these are in existing use:</p> <ul style="list-style-type: none"> • Recognised accounting and property management software already in use – 4 points • Recognised accounting or property management software already in use – 2 points • No recognised accounting and software already in use – 0 points <p>Recognised software is deemed to mean dedicated, commercially available software programs that have been developed for either accounting or property management purposes only.</p> <p>Documents to be Submitted as proof thereof:</p> <ol style="list-style-type: none"> 1. Trial balance, debtors ledger and creditors ledger 2. Software licenses <p>2. <u>Financial Health indicators</u></p> <p>Bidders should have clear financial health indicators evident from their company financials. This will be assessed on key benchmarking ratios, inter alia, as follows:</p> <ul style="list-style-type: none"> • <i>Liquidity ratio's (current and long-term)</i> • <i>Debtors day</i> • <i>Creditors days</i> • <i>ROE</i> • <i>Debt/Equity will be used, inter alia.</i> <p><u>Scoring ranges</u></p> <p>Above generally acceptable practice benchmark - 6 points Meeting generally acceptable practice benchmark – 4 points Do not meet benchmark – 0 points</p> <p>Documents to be Submitted as proof thereof</p> <ol style="list-style-type: none"> 1. Latest audited Annual Financial Statements – evidence of historic performance, and 2. Latest system generated management reports – evidence of current performance 	<p>4</p> <p>6</p>
<p>TOTAL FUNCTIONALITY POINTS</p>	<p>65</p>
<p>D. PROOF OF CONCEPT (20 points)</p>	
<p>Concept document is clear and provides clear proof of concept / feasibility covering at least the following aspects:</p> <ol style="list-style-type: none"> 1. Project vision including visual representations, 2. Project scope with preliminary estimates of works including VAT (split between refurbishment costs, extension costs and complete new structures / improvement costs), 3. Timeline and milestones of project development period 4. Preliminary Demand analysis 5. Evidence of local economic development stats under the following headings: <ol style="list-style-type: none"> 5.1 Construction phase – proposed use of local labour & sub-contractors 	<p>20</p>

<p>5.2 Operating phase - SMME usage for on-going operating costs i.e.. Cleaning, repairs, etc. & contributions to local municipalities via rates, etc. reflected in expected rand value amounts</p> <p>6. Preliminary financial analysis in support of concept i.e.. indicative incomes, expenditure and cash flows over the expected lease life) of financing and indication of key financial ratio's. Gearing/ Interest costs / repayments and anticipated lease rental outflows must be clearly taken into account within this analysis. This must include a separate line item for anticipated rental payment to ECDC in terms of the proposed long term triple net lease arrangement (for purposes of clarity this would exclude VAT in income statement numbers and include VAT in cash flow numbers).</p> <p>7. Expected funding arrangements envisaged – costs must be embedded within the preliminary financial analysis per point 6</p> <p>Scoring principles</p> <ol style="list-style-type: none"> 1. A very good concept - a clear, realistic concept is self-evident in the proposal and all topics listed above being sufficiently addressed – 20 points 2. A good concept – a clear, realistic concept where most of the topics are sufficiently addressed – 14 points 3. An average concept – a clear concept where of the topics are sufficiently addressed – 8 points 4. A poor concept – a vague concept where some of the topics are sufficiently addressed – 4 points 5. A very poor concept – a vague concept where very few of the topics are sufficiently addressed – 0 points 	
E: Development Partnerships & Locality (15 points)	
<p><u>Local Development Partnerships (JV/Consortiums)</u></p> <p>The ECDC is committed to the support and development of local businesses and developers located in the Eastern Cape Province and in particular, where projects are located. The ECDC therefore promotes the inclusion of local developers in this expression of interest on a partnership basis with more established developers.</p> <p>Bids that promote partnership with local developers will therefore be favored by the ECDC and be allocated points on the following basis:</p> <p>E. 49% partnership and higher - 10 points (maximum) F. 36% - 48% partnership - 8 points G. 26% – 35% partnership - 6 points H. 16% - 25% partnership - 4 points I. 1% – 15% partnership - 2 points J. 0% partnership - 0 points</p> <p>Documents to be submitted as proof of proposed arrangement:</p> <ol style="list-style-type: none"> 1. Signed partnership agreement or JV agreement – must clearly state partnership percentages. 2. Municipal account or existing lease agreement as proof of location of head office of development partner of bid 	10
<p><u>Locality of bidder</u></p> <p>The ECDC is committed to the support and development of local businesses and developers located in the Eastern Cape Province and in particular, where projects are located. Lead partners of bids that are located within the Eastern Cape Province and in particular in the district municipalities where projects are located will be favoured in the following manner:</p>	5

<ol style="list-style-type: none"> 1. Lead partner of bid is located in the District Municipality where the project is located – 5 points 2. Lead partner of bid is located in the Eastern Cape Province – 3 points 3. Lead partner of bid is located in South Africa – 1 points 4. Lead partner of bid is internationally based – 0 points <p>Documents to be provided as proof of location:</p> <ol style="list-style-type: none"> 1. Municipal account or existing lease agreement as proof of location of head office of lead partner of bid 2. CIPC records reflecting the locality of the registered head office address of lead partner (amendments to address after bid advertisement date excluded) 	
CONCEPT, LOCATION & DEVELOPMENT PARTNERSHIPS	35
TOTAL POINTS ASSESSED IN STAGE 1	100

NOTE:

Failure to submit any of the required supporting documents may lead to the Bidders not scoring points. ECDC reserves the right to verify the information submitted. Should the information submitted be false, the proposal will be automatically disqualified.

Bid proposals under R50million 80/20 principle:

CRITERIA FOR FUNCTIONALITY 80/20	
A: EXPERIENCE & CAPACITY IN INFRASTRUCTURE DEVELOPMENT AND LONG-TERM DEVELOPMENT LEASE ARRANGEMENTS OF BIDDER (35 points)	
<p>1. <u>Experience of the bidder (25 Points)</u></p> <p>1.1 <u>Previous project experience (9 points)</u></p> <p>1.1.1 Have performed or brokered successful property development projects on a long-term lease arrangement basis, or other similar developments, in excess of 120% of current capital development cost proposed per concept document (minimum of 1 project in the last 10 years) held under a long-term lease for no less than 10 years – maximum 9 points.</p> <p>1.1.2 Have performed or brokered successful property development projects on a long-term lease arrangement basis, or other similar developments, in excess of 100% of current capital development cost proposed per concept document (minimum of 1 project in the last 10 years) held under long-term lease for no less than 10 years – 6 points.</p> <p>1.1.3 Have performed or brokered successful property development projects on a long-term lease arrangement basis, or other similar developments, in excess of 80% of current capital development cost proposed per concept document (minimum of 1 project in the last 10 years) held under long-term lease for no less than 10 years – 2 points</p> <p>1.1.4 Less than 80% or first development project – nil points awarded</p> <p><u>Documents to be submitted for Scoring of 1.1 above</u></p> <ol style="list-style-type: none"> Complete Company Profile Signed lease and/or development agreements on existing and/or previous projects which clearly state development amounts. <p>1.2 <u>Previous finance raising experience (8 points)</u></p> <p>1.2.1 Have raised project finance in excess of 120% of current projected capital development cost proposed per concept document and currently has ability to raise 120% thereof based on own balance sheet / other institutional funding arrangement – 8 points maximum</p> <p>1.2.2 Have raised project finance in excess of 100% of current projected capital development cost proposed per concept document and currently has ability to raise 100% thereof based on own balance sheet / other institutional funding arrangement – 6 points maximum</p> <p>1.2.3 Have raised project finance in excess of 80% of current projected capital development cost proposed per concept document and currently has ability to raise 80% thereof based on own balance sheet / other institutional funding arrangement – 2 points maximum</p> <p>1.2.4 Less than 80% raised in the past or less than 80% ability to raise on own balance sheet / other institutional funding arrangement or no previous experience with raising finance for development infrastructure – nil points awarded</p> <p><u>Documents to be submitted for Scoring 1.2 above</u></p> <ol style="list-style-type: none"> Proof of having raised project financing in excess of values indicated (in percentage form) above in the last 10 years, proof of existing bonds/loan agreements/financing arrangements. In-principle agreements from registered reputable bankers / registered <u>institutional</u> funders for funding ability on new projects. 	<p>9</p> <p>8</p>

1.3 Previous strength in property management negotiating tenants / property management experience (8 points)

4

- 1.3.1 Have gained experience in the last 10 years working with Government / Public Entities / Private Sector in providing:
1. Office space
 2. Housing Development
 3. Commercial shopping center complex

Scoring will be on the following basis:

- 4 anchor tenant leases (of similar value per concept) and above – 4 points
 3 anchor tenant leases (of similar value per concept) and above – 3 points
 2 anchor tenant leases (of similar value per concept) and above – 2 points
 1 anchor tenant leases (of similar value per concept) and above – 1 points

4

- 1.3.2 Have relevant property management experience which cover the full spectrum of tasks involved from sub-lease management inception, billings, recoveries / debt collection, repairs and maintenance, legal issues.

Scoring will be on the following basis

1. Substantial portfolio of similar sizing to expected rental to be charged to sub-tenants per concept – 25 leases and above – 4 points
2. Large portfolio of similar sizing to expected rental to be charged to sub-tenants per concept – 20 leases and above – 3 points
3. Medium portfolio of similar sizing to expected rental to be charged to sub-tenants per concept – 10 leases and above – 2 points
4. Small portfolio – 5 and above – 1 points

Documents to be submitted for Scoring of 1.3 above

1. Proof of experience gained during past 10 years in working with government departments / private sector in tenancy arrangements for scoring of item of 1.3.1.
2. Provide anchor tenant lease arrangement in the name of bidder as lessor dated no more than 10 years ago for scoring of item of 1.3.1
3. Provide rent-roll and debtors ledger as evidence of number and value in portfolio for scoring under item 1.3.2

2. Capacity of the bidder (10 points)

10

The bidder must have the following qualified professionals in-house or part of an existing project team on a sub-contracted basis. Each staff member is to be a registered member of a professional body and have a minimum of 5 years industry experience, post qualification:

1. Project managers
2. Legal Advisor
3. Financial team
4. Marketing and Leasehold management team

Points will be scored on the following basis

1. At least 80% in house – 10 points
2. At least 60% in-house – 5 points
3. 100% previously outsourced on previous projects – 3 points
4. All new team members being outsourced – 1 points
5. No existing team – 0 points

Documents to be submitted for Scoring:

The bidder is to submit an organogram with CV's (or Complete Annexure C) of the individuals with commissioned valid accreditation/training certificates or qualifications for the relevant professional body for each member of the technical team. (Experience of the team will be averaged)

<p>Where these professionals are not insourced, provide the following:</p> <ol style="list-style-type: none"> 1. Letters of reference on a letterhead, attesting to previous projects conducted as part of project team for the bidder, indicated the value of scope of works for project. 2. Letter of intent as to current proposal 	
<p>B. EXPERIENCE AND CAPACITY TRACK RECORD OF CONSTRUCTION DEVELOPER – Provide reference letters from previous clients (20 points)</p>	
<p>1. <u>Experience of the Construction Developer</u></p> <p>The bidder must demonstrate the relevant experience in Property Development of the Construction Company proposed to carry out the works as per concept, providing at least 3 reference letters from them in providing similar work done to the value as proposed by the concept document.</p> <p>The projects should be supported by a signed reference letter which must be on client's letter head and should include:</p> <ol style="list-style-type: none"> 1. The company name, contact person, contact details (telephone number and/or email address) 2. The type of project that was satisfactorily completed, 3. Value of works 4. Completion certificates, photographs and details of the infrastructure or the 5. Confirmation that the works were provided satisfactorily. 	<p>10</p>
<p>2. <u>Capacity of the Construction Developer</u></p> <p>The bidder must have the following qualified professionals in-house or part of an existing project team on a sub-contracted basis. Each staff member is to be a registered member of a professional body and have a minimum of 5 years industry experience, post qualification:</p> <ol style="list-style-type: none"> 1. Architect (SACAP registered) = 1 points 2. Quantity Surveyor (SACQSP registered) = 2 points 3. Registered Professional Engineer (Structural) (ECSA registered) = 2 points 4. 1 <u>Dedicated</u> Construction project managers (lead agent) for this concept = 4 point maximum 5. SHEQ consultants = 1 point <p><u>Documents to be submitted for Scoring:</u></p> <p>Bidder to submit CV's and company profiles of the individuals forming part of the professional team with commissioned valid accreditation/training certificate or qualifications for the relevant professional body for each member of the technical team.</p>	<p>10</p>

<p>C. FINANCIAL HEALTH OF BIDDER (10 points)</p> <p>1. <u>Financial reporting system in use –</u></p> <p>The bidder must provide proof of the use of formal software packages for accounting and property management systems to be used for the development lifespan of the project and that these are in existing use:</p> <ul style="list-style-type: none"> • Recognised accounting and property management software already in use – 4 points • Recognised accounting or property management software already in use – 2 points • No recognised accounting and software already in use – 0 points <p>Recognised software is deemed to mean dedicated, commercially available software programs that have been developed for either accounting or property management purposes only.</p> <p>Documents to be Submitted as proof thereof:</p> <ol style="list-style-type: none"> 1. Trial balance, debtors ledger and creditors ledger 2. Software licenses <p>2. <u>Financial Health indicators</u></p> <p>Bidders should have clear financial health indicators evident from their company financials. This will be assessed on key benchmarking ratios, inter alia, as follows:</p> <ul style="list-style-type: none"> • <i>Liquidity ratio's (current and long-term)</i> • <i>Debtors day</i> • <i>Creditors days</i> • <i>ROE</i> • <i>Debt/Equity will be used, inter alia.</i> <p><u>Scoring ranges</u> Above generally acceptable practice benchmark - 6 points Meeting generally acceptable practice benchmark – 4 points Do not meet benchmark – 0 points</p> <p>Documents to be Submitted as proof thereof</p> <ol style="list-style-type: none"> 1. Latest signed audited Annual Financial Statements – evidence of historic performance, and 2. Latest system generated management reports – evidence of current performance 	<p style="text-align: center;">4</p> <p style="text-align: center;">6</p> <p style="text-align: center;">65</p>
<p>TOTAL FUNCTIONALITY POINTS</p>	<p style="text-align: center;">65</p>
<p>D. PROOF OF CONCEPT (20 points)</p> <p>Concept document is clear and provides clear proof of concept / feasibility covering at least the following aspects:</p> <ol style="list-style-type: none"> 1. Project vision including visual representations, 2. Project scope with preliminary estimates of works including VAT (split between refurbishment costs, extension costs and complete new structures / improvement costs), 3. Timeline and milestones of project development period 4. Preliminary Demand analysis 5. Evidence of local economic development stats under the following headings: <ol style="list-style-type: none"> 5.1 Construction phase – proposed use of local labour & sub-contractors 	<p style="text-align: center;">20</p>

<p>5.2 Operating phase - SMME usage for on-going operating costs i.e.. Cleaning, repairs, etc. & contributions to local municipalities via rates, etc. reflected in expected rand value amounts</p> <p>6. Preliminary financial analysis in support of concept i.e.. indicative incomes, expenditure and cash flows over the expected lease life) of financing and indication of key financial ratio's. Gearing/ Interest costs / repayments and anticipated lease rental outflows must be clearly taken into account within this analysis. This must include a separate line item for rental payment to ECDC in terms of the proposed long term triple net lease arrangement (for purposes of clarity this would exclude VAT in income statement numbers and include VAT in cash flow numbers).</p> <p>7. Expected funding arrangements envisaged – costs must be embedded within the preliminary financial analysis per point 6</p> <p><u>Scoring principles</u></p> <ol style="list-style-type: none"> 1. A very good concept - a clear, realistic concept is self-evident in the proposal and all topics listed above being sufficiently addressed – 20 points 2. A good concept – a clear, realistic concept where most of the topics are sufficiently addressed – 14 points 3. An average concept – a clear concept where of the topics are sufficiently addressed – 8 points 4. A poor concept – a vague concept where some of the topics are sufficiently addressed – 4 points 5. A very poor concept – a vague concept where very few of the topics are sufficiently addressed – 0 points 	
E: DEVELOPMENT PARTNERSHIPS & LOCALITY (15 points)	
<p>1. <u>Local development partnerships</u></p> <p>The ECDC is committed to the support and development of local businesses and developers located in the Eastern Cape Province and in particular, where projects are located. The ECDC therefore promotes the inclusion of local developers in this expression of interest on a partnership basis with more established developers.</p> <p>Bids that promote partnership with local developers will therefore be favored by the ECDC and be allocated points on the following basis:</p> <ol style="list-style-type: none"> 1. 49% partnership and higher - 10 points (maximum) 2. 36% - 48% partnership - 8 points 3. 26% – 35% partnership - 6 points 4. 16% - 25% partnership - 4 points 5. 1% – 15% partnership - 2 points 6. 0% partnership - 0 points <p>Documents to be submitted as proof of proposed arrangement:</p> <ol style="list-style-type: none"> 1. Signed partnership agreement or JV agreement – must clearly state partnership percentages. 2. Municipal account or existing lease agreement as proof of location of head office of development partner of bid 	10
<p>2. <u>Locality of bidder</u></p> <p>The ECDC is committed to the support and development of local businesses and developers located in the Eastern Cape Province and in particular, where projects are located. Lead partners of bids that are located within the Eastern Cape Province and in particular in the district municipalities where projects are located will be favoured in the following manner:</p>	5

<ul style="list-style-type: none"> • Lead partner of bid is located in the District Municipality where the project is located – 5 points • Lead partner of bid is located in the Eastern Cape Province – 3 points • Lead partner of bid is located in South Africa – 1 points • Lead partner of bid is internationally based – 0 points <p>Documents to be provided as proof of location:</p> <ol style="list-style-type: none"> 1. Municipal account or existing lease agreement as proof of location of head office of lead partner of bid 2. CIPC records reflecting the locality of the registered head office address of lead partner (amendments to address after bid advertisement date excluded) 	
CONCEPT, LOCATION & DEVELOPMENT PARTNERSHIPS	35
TOTAL POINTS ASSESSED IN STAGE 1	100

Failure to submit the required supporting documents may lead to the Bidders not scoring points. ECDC reserves the right to verify the information submitted. Should the information submitted be false, the proposal will be automatically disqualified.

IMPORTANT NOTES

- a) Only bids that have achieved the minimum qualifying score for Functionality and concept will qualify for phase 2. ECDC reserves the right to short list the qualifying bidders to the 3 top scorers on any one particular development. Short listed bids will be formally informed and invited to present the required information as envisaged per stage 2 where further details will be communicated on the specifics of the form at that time.
- b) All bids that fail to achieve the minimum score will be disqualified.
- c) The minimum qualifying score (in a percentage) for functionality shall be calculated as follows:

$$Ps = \frac{So}{Ms} \times 100$$

Where: Ps - percentage scored for functionality by bid under consideration

So - Total score for bid under consideration

Ms – Maximum possible score

- d) The percentages of each panel member shall be added and divided by the number of panel members to establish the average percentage obtained by each bidder for functionality.

1.7.4 Stage 2 – Technical assessment: Business Plan, lease model and financial model / projections

Based on the outcome of functionality and concept assessment, qualifying short-listed bidders will be invited to submit final project proposal documents with accompanying business plan's with supporting financial projections. Failure to submit these requested documents for stage 3 will result in the Service Provider not being evaluated further.

Whilst not purporting to be a comprehensive list at this stage, the following is the minimum information that is expected to be included in qualifying bidders in their final business plan proposals during stage 2 of the bid process:

1. Comprehensive Development Program – a development program for the duration of the intended long-term lease that details the construction, operations and management phases of the bid.
2. Legislative and Regulatory Compliance – attention to ensure legislative and regulatory compliance for the proposed concept including all approvals and authorisations required for the duration of the intended lease.
3. Comprehensive First Order Construction Cost Estimate - an infrastructure refurbishment and development cost estimate including construction escalation and contingencies costs.
4. Comprehensive Market and Demand Analysis – analysis of the market demands that underpins the bidders concept including competitor analysis in the regions where projects are located.
5. Sales and Marketing Approach – provide details of proposed tenants with letters of intent and the marketing approach to secure additional tenants in the future based on at least the pillars of place, price, product and promotion (4P concept).
6. Financial Projections – provide full income statement, balance sheet and cash flow analysis along with key performance and return indicators across the entire lease term including key assumptions, weighted average cost of capital, growth rates, input cost projections, maintenance costs, human resource costs, insurance costs, security costs, etc.
7. Gearing Arrangements and Financing Facilities – provide commitment letters from reputable financial institutions / investors will add strength to risk assessment.
8. Post Lease Arrangements – proposed handover approach of infrastructure post the conclusion of the long-term lease or proposal to consider extension of the lease for a further period.

It is expected that a further 2 months will be set aside for qualifying short-listed bidders to complete their documentation for stage 2.

Once received all business plans will be subjected to due diligence assessment to ultimately determine the probable ability of the plan to translate to the proposed inflows and leasing arrangements as envisaged within the documents.

Where the test of due diligence is passed, qualifying bids will then be compared on the basis of the capital budgeting technique of Equivalent Annual Annuity Approach (EAA) (or some other preferable method that may be deemed

appropriate at that later stage) to determine and compare across differing bids. This Equivalent Annual Annuity Approach analyse lease proceeds as follows:

1. Net present values, of the expected lease cash flows (fixed or fluctuating) over the expected full lease term. Please note that based on the finding in the due diligence it may well be that the expected lease cash flows may need to be adjusted downwards.
2. These are then further discounted over their differing periods between the various proposals presented as a fair and accepted treatment when considering differing lease terms proposals.

The calculation yielded from this approach, will then be determined as the price and will move onto stage 3 for final “price” assessment.

NOTE Minimum investment returns will be set per property to ensure that any bid with an EAA not meeting the ECDC minimum IRR will not be considered further.

1.7.5 Stage 3– Price Evaluation Criteria (Preference Points)

Preference points for this bid shall be awarded for price and the B-BBEE Status Level of Contribution. The maximum points for this bid are allocated as follows:

CRITERIA	POINTS – bids under R50 million	POINTS – bids over R50 million
Price	80	90
B-BBEE status level of contribution	20	10
TOTAL POINTS	100	100

- a) Points awarded for price based will be based on the 80/20 or 90/10 Preference point systems dependant on whether the **highest** of the final price as calculated in stage 2 above falls above or below R50 million as required per PPPFA Circular 01 2021/22
- b) The points scored by the tenderer/bidder for Price will be added to the points scored for B-BBEE Status Level of Contributor to obtain the bidder’s total points scored out of 100 points.
- c) In the event that two or more bids have scored equal total points, the successful bid will be the one scoring the highest number of preference points for B-BBEE.
- d) However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- e) Should two or more bidders/tenderers be equal in all respects, the award shall be decided by the drawing of lots.
- f) The bidder obtaining the highest number of total points will be awarded the contract.
- g) Points scored will be rounded off to the nearest 2 decimal places.
- h) Price
 - (i) The highest acceptable bid will score 80/90 points for price, depending on whether bids are below or above the threshold of R50million.
 - (ii) Subject to any further legislated implementation guidelines issued by National Treasury in respect of PPPFA Circular 01 2021/22, the threshold of R50 million will be calculated as follows (and includes all taxes where applicable)
 1. Refurbishment proposals only – Cash inflows from rental over the full lease terms.
 2. Refurbishment plus proposed extensions – Takes the value of the infrastructure cost on the extension aspect only plus the long-term leasing arrangement cash flows expected over

the full lease term into account. Final proposal documentation must separately indicate between the cost of refurbishment on existing infrastructure versus the costs of new extensions to existing infrastructure.

3. Greenfields projects i.e.. new infrastructure on vacant land - Takes the full value of the infrastructure cost plus the long-term leasing arrangement cash flows expected over the full lease term into account.

(iii) Preference points for price shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;

(iv) The following formula will be used to calculate the points out of 80/90 for price in respect of the bid/tender.

DETAILS	80/20 PREFERENCE POINT SYSTEM
Rand value (competitive bids or quotations) all applicable taxes included.	<ul style="list-style-type: none"> • Equal and above R30 000 to R50 million, inclusive of all applicable taxes. Below R30 000 if and when considered to be appropriate
Formulae	<p>For bids under R50million</p> $Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$ <p>For bids equal to or over R50million</p> $Ps = 90 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$
	<p>Ps = Points scored for comparative price of bid / offer under consideration</p> <p>Pt = Comparative price of bid / offer under consideration</p> <p>Pmin = Comparative price of lowest acceptable bid / offer</p>

i) B-BBEE Status Level of Contribution

(i) A maximum of 20 or 10 points will be awarded for B-BBEE Status Level of Contribution, depending on whether the bid is above or below R50 million

(ii) In terms of Regulation 6(2) the following table must be used to calculate the score out

B-BBEE STATUS LEVEL OF CONTRIBUTOR	NUMBER OF POINTS (80/20 SYSTEM)	NUMBER OF POINTS (90/10 SYSTEM)
1	20	10
2	18	9
3	14	6
4	12	5
5	8	4
6	6	3
7	4	2

8	2	1
Non-compliant contributor	0	0

- (iii) The tenderer/bidder must submit proof of its B-BBEE status level contributor. Proof includes original and valid B-BBEE Status Level Verification Certificates issued by a Verification Agency accredited by SANAS or Certified copies thereof. This excludes EME's and QSE's who must submit sworn affidavit in terms of Codes of good practice. The sworn affidavit must be signed by the EME or QSE's representative and attested by a Commissioner of oaths.
- (iv) A trust, consortium or joint venture must submit a consolidated B-BBEE Status Level Verification Certificate in order to qualify for points.
- (v) Public entities and tertiary institutions must submit a B-BBEE Status Level Verification Certificate in order to qualify for points.
- (vi) A tenderer/bidder failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE will score 0 (zero) points out of 20/10 for B-BBEE.
- (vii) A tenderer/bidder may not be awarded points for B-BBEE status level contributor if it is indicated in the bid documents that such a tenderer/bidder intends sub-contracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer/ bidder qualifies for, unless the intended sub-contractor is an EME that has the capability to execute the sub-contract.

1.8 Public Private Partnerships excluded

The ECDC will exclude from evaluation any proposal that constitutes a public-private partnership (PPP).

A PPP is a contract between a public sector institution and a private party, in terms of which the private party assumes substantial financial, technical and operational risk in the design, financing, building and operation of a project.

The two types of PPP recognised in South Africa are: (a) where the private party performs an institutional function or (b) where the private party acquires the use of state property for its own commercial purposes. Payment in either scenario involves one of three mechanisms:

- the institution pays the private party for the delivery of the service; or
- the private party collects fees or charges from users of the services; or
- a combination of the above is in place.

(See National Treasury Practice Note Number 02 of 2004)

The term is defined in regulation 16 of GNR 225 of 15 March 2005 as follows:

"public-private partnership" or "PPP" means a commercial transaction between an institution and a private party in terms of which the private party-

- (a) performs an institutional function on behalf of the institution; and/or
- (b) acquires the use of State property for its own commercial purposes; and
- (c) assumes substantial financial, technical and operational risks in connection with the performance of the institutional function and/or use of State property; and
- (d) receives a benefit for performing the institutional function or from utilising the State property, either by way of:
 - (i) consideration to be paid by the institution which derives from a revenue fund or, where the institution is a national government business enterprise or a

*provincial government business enterprise, from the revenues of such institution;
or*

- (ii) charges or fees to be collected by the private party from users or customers of a service provided to them; or*
- (iii) a combination of such consideration and such charges or fees..."*

For various policy reasons, the ECDC is not in favour of implementing a PPP.

1.9 Alteration or withdrawal of Proposals

Bidders may withdraw their proposal by written notification on or before the date of award.

1.10 Costs for preparation of Proposals/presentations

The costs incurred by Bidders in respect of the attendance of any briefing or presentation meetings if necessary or costs incurred in preparing any Proposals will be borne by the Bidder and the ECDC shall in no way be liable to reimburse such costs incurred.

1.11 Ownership of Proposals and presentations

The ECDC shall on receipt of any proposal relating to this request and submitted in accordance with the procedure set out herein, shall become the owner thereof and the ECDC shall not be obliged to return any proposal.

1.12 Tax Clearance Certificate requirements

It is a condition of all bids inclusive of foreign bidders / individuals) that the South African taxes of the successful bidder must be in order.

The Tax Compliance Status of the Bidder will be verified on the Bidder's CSD Report. CSD Number of the Bidder must be provided for ECDC to verify their Tax Compliance Status.

In Bids where Consortia/Joint venture/Sub-Contractors are involved, each party must submit a separate proof of Tax Compliance Status Certificate/SARS Pin Number/CSD Number.

In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za

1.13 Confidentiality

The entire process of calling for Bids was initiated by the ECDC in terms of its procurement policy and is confidential. All deliberations in respect of the acceptability or otherwise of the Proposals shall be conducted in closed sessions and members of the different Committees in the Procurement process and prospective service providers are bound to treat all discussions as highly confidential.

The service provider shall not divulge directly or indirectly to any other person either than a person employed by ECDC, make copies or extracts of any of the information obtained during this assignment, while they may have access to ECDC's trade secrets, confidential information which may include, specifications, plans, drawings, pattern, samples, written instructions, notes, memoranda, technical information, know-how or process or method or any other records of whatsoever nature without the written consent of ECDC and shall surrender all these items to ECDC on termination of the assignment or on demand of ECDC.

The service provider shall not be entitled to make use of the information whether for its own benefit or that of others, to make available or derive any profit from any of the information or knowledge specifically related to the business or affairs of ECDC.

Any document, shall remain the property of ECDC and shall be returned (all copies) to ECDC on completion of the contract if so required by ECDC.

1.14 Inventions Patent and Copyrights

The service provider cedes, assigns and transfers to ECDC all rights, title and interest in and to any and all copyright in all works and inventions which relates to the business of ECDC (which includes, but is not limited to, methodologies and products) which arises within the course and scope of this services will be assigned to ECDC.

The Service Provider shall Provide ECDC the sole and exclusive right to alter and adapt the work.

The service provider shall indemnify ECDC against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by ECDC.

1.15 Ethics

Any attempt by an interested Bidder to obtain confidential information, or enter into unlawful agreements with competitors or influence the various ECDC Procurement Committee's or the ECDC during the process of examining, evaluating and comparing Bids/Proposals or Proposals will lead to the rejection of its bid/quotation/proposal in its entirety.

The Bidder must declare any business or other interests it has with the ECDC or any employee of the ECDC, as per the declaration of interest form annexed hereto marked in Section D; failing which the Bidder shall be automatically disqualified from further participation in the Bid or call for proposals. The disqualification will be applicable at any stage of the bidding and / or engagement process.

1.16 Competition

Bidders and their respective officers, employees and agents are prohibited from engaging in any collusive action with respect to the bidding process which serves to limit competition amongst bidders.

In general, the attention of bidders is drawn to Section 4(1) (b) (iii) of the Competition Act 1998 (Act No. 89 of 1998) (the Competition Act) that prohibits collusive bidding.

An agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder/s is / are or a contractor(s) was / were involved in collusive bidding.

If bidders have reason to believe that competition issues may arise from any submission of a response to this bid invitation they may make, they are encouraged to discuss their position with the competition authorities before submitting response.

Any correspondence or process of any kind between bidders and the competition authorities must be documented in the responses to this invitation to bid.

In this regard bidders are required to complete the Certificate of Independence Bid Determination, failing which the Bidder shall be automatically disqualified from further participation in the Bid or call for proposals. The disqualification will be applicable at any stage of the bidding and / or engagement process.

If a bidder (s) or contractor (s), based on reasonable grounds or evidence obtained by ECDC, has /have engaged in the restrictive practice referred to above, ECDC may refer the matter to the Competition Commission for investigation and possible imposition of an administrative penalty as contemplated in Section 59 of the Competition Act 89 of 1998.

If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, ECDC may in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such an item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) for conducting business with the public sector for a period of not exceeding 10 (ten) years and / or claim damages from the bidder(s) / contractor(s) concerned.

1.17 Cancellation of Bid Process

The ECDC shall be entitled, within its sole and entire discretion, to cancel this Bid/Call for Proposals and/or Proposals at any time and shall notify the interested service providers accordingly. The ECDC shall in no way be liable for any damages whatsoever, including, without limitation, damages for loss of profit, in any way connected with the cancellation of this bid. The publication of the bid does not commit the ECDC to appoint any of the qualifying Bidders.

1.18 Interviews

In terms of the bid evaluation process short listed bidders may be interviewed. This will entail the bidder being invited to a venue as determined by the bid committee. All transport and accommodation costs incurred by the bidder will be for the bidders account and will not be reimbursed in any way. Failure to attend a scheduled interview will lead to immediate disqualification from the bid process. The ECDC reserves the right to appoint a bidder without conducting interviews.

1.18 Signing of documentation

The obligation to complete, duly sign and submit this bid cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

1.19 Contract award

The successful bidder will be notified of the bid award in writing by the Procurement Department.

The acceptance of any proposal shall only be confirmed with the conclusion of a final written signed service level agreement or any other appropriate agreement between the ECDC and the successful Bidder, in terms of which the rights and duties of the parties are recorded, which agreement shall regulate the relationship between the ECDC and the Successful Bidder.

As a guideline regarding the content of the service level agreement, the bidder is referred to the general conditions of contract .

Until such time that an appropriate agreement has been concluded in writing between the ECDC and the successful Bidder, no rights shall be conferred nor shall any legitimate expectations be conferred to the successful Bidder to carry out the works or services provided for in this Bid.

The ECDC, the Accounting Officer and the Bid Committee (as the case may be) does not bind itself to accept either the highest (price), highest (points) or any other bid and reserves the right to accept the bid which it deems to be in the best interest of the Institution even if it implies a waiver by the ECDC, the Accounting Officer, or the Bid Committee, (as the case may be) of certain requirements which the ECDC, the Accounting Officer, the Bid Committee, (as the case may be) considers to be of minor importance and not complied with by the bidder.

The ECDC will not entertain any request of feedback before the final awarding of the contract.

1.20 Supplier Due Diligence

ECDC reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

1.21 Disclaimer

This Bid document has been prepared for the purpose of providing information to interested Bidders. The provision of any additional information about the organization to Bidders, are disclosed and will be made available to enable the prospective Bidders to submit comprehensive proposals.

Interested Bidders are accordingly required to conduct their own due diligence in respect of the ECDC and its business operations and the nature and scope of the services required.

The ECDC accepts no responsibility for the fairness, accuracy or completeness of any information or opinions, for any errors, omissions or misstatements, negligent otherwise, made by any person in this Bid document or at any Compulsory briefing session

The ECDC accepts no liability for any loss incurred by any person(s) due to events or action taken as a consequence of the preparation and dissemination of this bid request.

Except in cases of criminal negligence or wilful misconduct, and in the case of infringement the bidder shall not be liable to ECDC, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the bidder to pay penalties and/or damages to ECDC; and

The aggregate liability of the bidder to ECDC, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

1.22 Contact and Communication

A nominated official of the bidder(s) can make enquiries in writing, to the specified person on the table below. Bidder(s) must reduce all telephonic enquiries to writing and send to the above email address.

The delegated office of ECDC, Procurement Department, may communicate with Bidder(s) where clarity is sought in the bid proposal.

Any communication to an official or a person acting in an advisory capacity for ECDC in respect of the bid between the closing date and the award of the bid by the Bidder(s) is discouraged.

All communication between the Bidder(s) and ECDC must be done in writing.

Details	Bidding Procedure
Department	Procurement Department
Contact person	Siyabulela Vanda
Telephone number	043 704 5600
E-mail address	tenders@ecdc.co.za

Whilst all due care has been taken in connection with the preparation of this bid, ECDC makes no representations or warranties that the content of the bid or any information communicated to or provided to Bidder(s) during the bidding process is, or will be, accurate, current or complete. ECDC, and its employees and advisors will not be liable with respect to any information communicated which may not be accurate, current or complete.

If Bidder(s) finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by ECDC (other than minor clerical matters), the Bidder(s) must promptly notify ECDC in writing of such discrepancy, ambiguity, error or inconsistency in order to give ECDC an opportunity to consider what corrective action is necessary (if any).

Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by ECDC will, if possible, be corrected and provided to all Bidder(s) without attribution to the Bidder(s) who provided the written notice.

All persons (including Bidder(s)) obtaining or receiving the bid and any other information in connection with the Bid or the Tendering process must keep the contents of the Bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a proposal in response to this Bid.

SECTIONS C
TERMS OF REFERENCE / BID SPECIFICATIONS

ABOUT ECDC

1. VISION

To be an innovative leader in promoting sustainable economic growth and development of the Eastern Cape.

2. MISSION

To promote sustainable economic development in the Eastern Cape through focused:

- a) Provision of innovative development finance
- b) Leveraging of resources, strategic alliances, investment and partnerships.

3. LEGISLATIVE MANDATE

ECDC draws its mandate directly from the Eastern Cape Development Corporation Act (Act 2 of 1997) and is led by the economic development priorities of the provincial government, as detailed in the Provincial Growth and Development Plan (PGDP), Eastern Cape Provincial Industrial Development Strategy (PIDS), the policy statements and budget speech of the Member of the Executive Council (MEC) of Economic Development, Environment Affairs and Tourism (DEDEAT).

Section 3 of the ECDC Act states that the Corporation shall “plan, finance, co-ordinate, market, promote and implement development of the Province and its people in the field of industry, commerce, agriculture, transport and finance”.

4. SCOPE OF PROPOSALS REQUIRED

The Eastern Cape Development Corporation (ECDC) is soliciting proposals to provide concept documents on infrastructure development / refurbishment under triple net lease arrangements on selected strategic properties in its current property portfolio. This will be done in phases and the first phase includes 8 strategic properties. A second phase of 11 further properties is expected to be brought to the market in the 2022 calendar year. Further phases may follow phase 2 subject to the approval of the Board of the ECDC.

The following 8 properties have been identified as the first phase of this process and are listed as follows:

Bid Reference Number	Bid description	Address
ECDC/EOI/ELN/335/082021	Development Opportunity - Coffee Bay Hotel	Main Road, Coffee Bay
ECDC/EOI/ELN/336/082021	Development Opportunity - Development House	Cnr York and Elliot Roads, Mthatha
ECDC/EOI/ELN/337/082021	Development Opportunity - Transido Elliot Street	Cnr Elliot and Stanford Terrace/Coake St, Mthatha
ECDC/EOI/ELN/338/082021	Development Opportunity - Clanleigh Flats	4 Grey Street, Queenstown
ECDC/EOI/ELN/339/082021	Development Opportunity - Hillcrest	Nqadi & Hughes Street, Hillcrest, Mthatha
ECDC/EOI/ELN/340/082021	Development Opportunity - Mdantsane Mall	Makinana Street, Unit 2, Mdantsane
ECDC/EOI/ELN/341/082021	Development Opportunity - Erf 1477 , Mdantsane	Jiba Street, Mdantsane R, Mdantsane
ECDC/EOI/ELN/342/082021	Development Opportunity - Windsor Hotel	Sutherland Street, Mthatha

Bidders may bid on one, multiple or all of the properties as identified above, however where a bidder is interested to submit on more than one property, a separate proposal document is required for each and every property proposal identified uniquely above.

No consolidated proposals will be entertained and this will be an automatic disqualification.

IMPORTANT NOTE:

DESPITE BEING ALLOWED TO SUBMIT MULTIPLE BIDS, NO BIDDER MAY BE AWARDED MORE THAN 1 PROJECT PER PHASE OF PROPERTIES BEING TAKEN TO THE MARKET. WHERE THE BIDDER HAS ACHIEVED THE HIGHEST POINTS SCORE ON MORE THAN ONE PROPERTY PER BIDDING PHASE, THE PROJECT WITH THE HIGHEST MONETARY VALUE WILL BE AWARDED TO THE BIDDER.

Full detailed information packs, with detailed particulars of each property, resides on our webpage and is accessible via the following link for bidders information: <https://www.ecdc.co.za/workingwithus>

The intent of this EOI is for interested bidders is to:

1. Provide a comprehensive concept document with the minimum requirements as indicated in section 1.7.3 of this bid document.
2. Provide information / supporting documentation on ability of the bidder to carry out the concept as proposed as indicated in section 1.7.3 of this bid document.

Based on the outcome of the assessment thereof, qualifying and short-listed bidders will then be invited to submit their final business plan proposals.

Based on the final outcome of stage 3 –it is the intention of the Eastern Cape Development Corporation to enter into a formal Long-term Triple Net Development Lease arrangement with the successful bidder to provide long-term annuity income via rental income over the period of the lease and to provide assistance with infrastructure development and refurbishment of its strategic assets.

Some key responsibility area's to be included in this final lease arrangement, whilst not an exhaustive list at this stage, and many additional requirements, based on the outcomes of the proposals in the final stage 3 assessment may well need to be included, will be as follows:

1. Development period, dependant on the proposal – the longer the development period the greater the effect on the NPV of the project and thus the priced scoring.
2. Penalties clauses for failure to meet the development milestones and revenue targets.
3. Rental incomes can be both fixed with scheduled standard annual increases and / or fluctuating based on profit-sharing concepts dependant on the outcomes of the business model / financial projections evident in stage 3. Fluctuating rentals may be risk adjusted in the final scoring analysis and this will be clearly communicated to successful qualifying bidders whom are invited to submit in stage 3.
4. Being a triple-net lease arrangement, the bidder will be assigned sole responsibility for all costs relating to the development, operation and maintenance of the asset being leased, In addition to the rental due to ECDC and this needs to be taken into account when submitted the fully costed business plan projections during stage 2 of the bid. Likewise cognisance of this needs to be take in the phase 1 proof of concept submissions where preliminary figures are presented as part of the concept document.
5. Lease terms will be specific to the final business plan proposal document but will be no longer than 30 years and no shorter than 10 years.

These Terms of Reference and the bidders proposals will form the basis of the lease agreement to be entered into between the parties.

The ECDC for operational reasons is not obligated to accept proposals in respect of any of the properties as listed above.

5 REQUIRED CAPACITY, QUALIFICATIONS, EXPERIENCE & TRACK RECORD

- 5.1 The bidder must demonstrate that they have adequate human resources that have the relevant experience to carry out the concept with in-depth knowledge and expertise;
- 5.2 Project Manager with adequate and skilled technical support staff shall be available for the full duration of the development. These staff are required to possess the necessary professional accreditation and requisite technical qualifications. In addition they are required to have a minimum of 5 to 10 years of experience depending on whether the project is below or above R50 million respectively.

- 5.3 The bidder must demonstrate that they have the have a track record to carry out the concept project for the entire lease term and can provide reference letters as proof of similar projects executed.
- 5.4 The proposed concept documents must meet the minimum specifications as outlined in the scoring section related to them per 1.7.3 above.

6.

CONDITIONS SPECIFIC TO THIS BID

1. RESPONSIBILITIES AND DUTIES

- 1.1. Notwithstanding the fact that a description of the documentation required by this proposal has services has been provided above, ECDC shall be entitled to request additional services related to deliverables required to ensure the successful completion of the services set out above on such further terms and conditions as may be agreed between the parties in writing.
- 1.2. The service provider shall at all times faithfully and timeously carry out and perform the Services and shall use its best endeavours to properly conduct, improve, extend and develop the business of ECDC in the provisioning of the services.
- 1.3. The Services shall as part of his duties, attend such meetings as may be required by ECDC from time to time and submit weekly, monthly, quarterly or annual progress reports on the services as may be required and requested by ECDC.

2. OBLIGATION TO PERFORM AND SUB-CONTRACTING

- 2.1. The bidder shall notify ECDC in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the bidder from any liability or obligation under the contract.
- 2.2. The bidder shall not assign, in whole or in part, its obligations to perform under the contract, except with ECDC's prior written consent.

3. PERFORMANCE GUARANTEE (NOT APPLICABLE TO EOI BID)

- 3.1. Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to ECDC the performance security of the amount specified above.
- 3.2. The proceeds of the performance security shall be payable to ECDC as compensation for any loss resulting from the bidder's failure to complete his obligations under the contract.
- 3.3. The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to ECDC and shall be in one of the following forms:
- 3.4. A bank guarantee or an irrevocable letter of credit issued by a reputable bank located in South Africa, acceptable to ECDC, in the form provided in the bid documents or another form acceptable to ECDC; or A cashier's or certified cheque
- 3.5. The performance security will be discharged by ECDC and returned to the bidder not later than thirty (30) days following the date of completion of the bidder's performance obligations under the contract, including any warranty obligations, unless otherwise specified in Special Conditions of Contract.
- 3.6. Notwithstanding the provisions above, the bidder shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

4. ANTI-DUMPING AND COUNTERVAILING DUTIES AND RIGHTS (NOT APPLICABLE TO EOI BID)

- 4.1. When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, ECDC is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is

reduced, any such favourable difference shall on demand be paid forthwith by the contractor to ECDC or ECDC may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

5. ECDC FACILITIES

5.1. Unless otherwise agreed in writing by ECDC, the Service Provider will work from its own office and provide its own facilities, such as transport, telephone, cell phone, fax and computer facilities to perform the services.

5.2. The service provider may use certain facilities made available by ECDC through prior agreement to assist in performing the services, including but not limited to computer facilities, telephone and fax facilities and stationery. In this regard the service provider agrees to:

5.2.1 Abide by the health, safety and security measures as prescribed by ECDC from time to time;

5.2.2 To use such accommodation and facilities entirely at his own risk and ECDC shall not be liable for any loss or damage whatsoever and howsoever caused arising out of or in connection with the use of these items, other than loss or damage caused as a result of ECDC's own wilful misconduct.

6. FORCE MAJEURE

6.1. If a force majeure situation arises, the bidder shall promptly notify ECDC in writing of such condition and the cause thereof. Unless otherwise directed by ECDC in writing, the bidder shall continue to perform its obligations under the contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

7. WARRANTIES (WHERE APPLICABLE)

7.1. Supply, service and warranty support of the equipment shall be for a period of 36 months

7.2. The bidder warrants that the services supplied under the contract incorporate all recent improvements in design and materials unless provided otherwise in the contract. The bidder further warrants that all designs etc, supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by ECDC's specifications) or from any act or omission of the bidder, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

7.3. This warranty shall remain valid for Thirty Six (36) months after the services or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in Special Conditions of Contract.

7.4. ECDC shall promptly notify the bidder in writing of any claims arising under this warranty.

7.5. Upon receipt of such notice, the bidder shall, within the period specify and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to ECDC.

7.6. If the bidder, having been notified, fails to remedy the defect(s) within the period specified above, ECDC may proceed to take such remedial action as may be necessary, at the bidder's risk and expense and without prejudice to any other rights which ECDC may have against the bidder under the contract.

8. SPARE PARTS (WHERE APPLICABLE)

8.1. The bidder may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the bidder:

8.2. Such spare parts as ECDC may elect to purchase from the bidder, provided that this election shall not relieve the bidder of any warranty obligations under the contract; and

8.3. In the event of termination of production of the spare parts:

- 8.3.1. Advance notification to ECDC of the pending termination, in sufficient time to permit ECDC to procure needed requirements; and
- 8.3.2. Following such termination, furnishing at no cost to ECDC, the blueprints, drawings, and specifications of the spare parts, if requested.

9. INSURANCE

The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery. Service provider will be responsible for public liability insurance, the insurance of the property and their employees related to the property for the duration the triple net lease period.

10. RESPONSIBILITY TO PERFORM

- 10.1. Delivery of the goods and performance of services shall be made by the bidder in accordance with the time schedule prescribed by ECDC in the contract.
- 10.2. If at any time during performance of the contract, the bidder or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the bidder shall promptly notify ECDC in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the bidder's notice, ECDC shall evaluate the situation and may at his discretion extend the bidder's time for performance, in which case the extension shall be ratified by the parties by amendment of contract.
- 10.3. ECDC reserves the right to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the bidder's point of supply is not situated at or near the place where the supplies are required, or the bidder's services are not readily available.
- 10.4. ECDC may also consider termination of the contract should the bidder's performance deviate substantially from the agreed program.

11. SERVICE LEVEL AGREEMENT

After completion of the entire process a comprehensive lease and development agreement which covers all aspects of the proposal and further considerations of each stage of the bid analysis process shall be concluded between ECDC and the service provider.

12. DURATION OF THE CONTRACT

- 12.1. To be determined based on the extent of the proposal but anticipated to be between 10 -30 years.
- 12.2. Any delays in development period will be assessed in terms of terms of contract of lease / development should they become applicable.

13. PAYMENTS AND TAX

- 13.1. Payments shall only be made in accordance with terms and conditions contained in the lease and development agreement to be concluded as per section 11.
- 13.2. Any taxes due will be calculated and paid in accordance with the latest tax legislation and regulations of the Republic of South Africa.

SECTION D

ANNEXURE A: SUPPLIER INFORMATION

Legal Name of Bidder: (Same as CSD)	
Trading Name of Bidder: (Same as CSD)	
Registration Number (Same as CSD)	
Physical Address	
Postal Address	
Contact Person	
Title/Position in the Firm	
Mobile Number	
Bidder Telephone Number	
Facsimile Number	
Email Address of Contact Person	
Email Address of Bidder	
VAT Registration Number (Same as CSD)	
Central Supplier Database Number	MAAA
B-BBEE STATUS VERIFICATION	
<p>Very Important: (Attach B-BBBEE Status Verification from Accredited Service Provider or B-BBBEE Sworn Affidavit (for EME's and QSEs) must be submitted in order to qualify for preference points for B-BBEE)</p>	
Are the Accredited Representative in South Africa for the Goods/Services/Works Offered?	<input type="checkbox"/> Yes <input type="checkbox"/> No (If Yes enclose Proof)
Are you a foreign based supplier for the Goods/Services/Works Offered?	<input type="checkbox"/> Yes <input type="checkbox"/> No (If Yes, answer the questionnaire Below)

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

Is the Entity a resident of the Republic of South Africa (RSA)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does the Entity have a branch in the RSA?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does the Entity have a permanent establishment in the RSA?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does the Entity have any source of income in the RSA	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If the answer is "No" to all of the above, then it is not a requirement to register for a Tax Compliance Status system pin code from the South African Revenue (SARS) and if not register

VERY IMPORTANT

NO QUOTATIONS/BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE.

SERVICE PROVIDER ACKNOWLEDGEMENT OF REQUEST AND TERMS AND CONDITIONS:

I..... (NAME) HEREBY ACCEPT THE TERMS OF THIS REQUEST FOR QUOTATION/BID AND ACKNOWLEDGE

THAT I AM APPROPRIATELY DELEGATED TO RESPOND ON BEHALF OF (ATTACH DELEGATION OF AUTHORITY)

.....
(NAME OF BIDDER).

Print Name

Date

Designation

Signature

ANNEXURE B – MINIMUM TECHNICAL SPECIFICATION OF CONCEPT DOCUMENT REQUIREMENT**Note:** Mandatory Requirement. Failure to complete and Sign this document will result in the bid being non responsive.

Bidders concept document should meet all the minimum technical specification requirements as per table below. Bidder should declare by indicating on the table below if their product complies or does not comply with the minimum technical specification.

Minimum Specifications	Page Reference of your bid	Comply (✓)(Yes) Do not comply (X)(No)
1. Project vision including visual representations		
2. Project scope with preliminary estimates of works including VAT (split between refurbishment costs, extension costs and complete new structures / improvement costs).		
3. Timeline and milestones of project development period.		
4. Preliminary Demand analysis		
5. Evidence of local economic development stats under the following headings: 5.1 Construction phase – proposed use of local labour & sub-contractors 5.2 Operating phase - SMME usage for on-going operating costs i.e.. Cleaning, repairs, etc. & contributions to local municipalities via rates, etc. reflected in expected rand value amounts		
6. Preliminary financial analysis in support of concept i.e.. indicative incomes, expenditure and cash flows over the expected lease life) of financing and indication of key financial ratio's. Gearing/ Interest costs / repayments and anticipated lease rental outflows must be clearly taken into account within this analysis. This must include a separate line item for rental payment to ECDC in terms of the proposed long term triple net lease arrangement (for purposes of clarity this would exclude VAT in income statement numbers and include VAT in cash flow numbers).		
7. Expected funding arrangements envisaged – costs must be embedded within the preliminary financial analysis per point 6		

SIGNATURE of the DELEGATED AUTHORITY		DATE	
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ANNEXURE C: BIDDER HEAD OFFICE LOCATION

1	Where is the Lead Partner of the Bid's head office?	Physical Address: Postal Address: Contact person:
2	Where are Minor Partners of the Bid head offices?	Physical Address: Postal Address: Contact person:

ANNEXURE D: PROFILE OF BIDDER

1	How many full-time staff will be involved in this project?			
2	Provide the names of the full-time staff members and indicate the portfolios for which they are responsible.			
	Name of staff member	Designation	Accreditation related to applicable specialist area of expertise for technical staff (Indicate Yes/No) Attach Certificate	Years of experience post accreditation Attach CV
3. Comments:				

ANNEXURE E: PROFILE OF CONSTRUCTION DEVELOPER

1	How many full-time staff will be involved in this project?			
2	Provide the names of the full-time staff members and indicate the portfolios for which they are responsible.			
	Name of staff member	Designation	Accreditation related to applicable specialist area of expertise for technical staff (Indicate Yes/No) Attach Certificate	Years of experience post accreditation Attach CV
3. Comments:				

ANNEXURE F: EXPERIENCE OF BIDDER

1	<p>Provide details of the Company's experience in working on similar projects Attach Reference Letter</p>			
	Projects Completed	Date Completed	Approximate Cost	Contactable References
				Name: Surname: Email Phone Number
				Name: Surname: Email Phone Number
				Name: Surname: Email Phone Number
				Name: Surname: Email Phone Number
				Name: Surname: Email Phone Number
2	Comments:			

ANNEXURE G: EXPERIENCE OF CONSTRUCTION DEVELOPER

1 **Provide details of the Company's experience in working on similar projects**
Attach Reference Letter

	Projects Completed	Date Completed	Approximate Cost	Contactable References
				Name: Surname: Email Phone Number
				Name: Surname: Email Phone Number
				Name: Surname: Email Phone Number
				Name: Surname: Email Phone Number
				Name: Surname: Email Phone Number

2 Comments:

Annexure H: Indicative Pricing Schedule

Note: Mandatory Requirement. Failure to complete and Sign this document will result in the bid being non responsive.

1. Bidders are required to expressly cover their proposed indicative capital development costs and indicative rentals payable to ECDC on the activities per concept that they propose undertaking to provide the services requested in this call for expressions of interest.
2. The ECDC reserves the right to negotiate any aspect of the proposed fees/pricing and disbursements with the preferred Bidder and shall not be bound to the fees/pricing and disbursements submitted by any Bidder – Phase 2 & 3.

KINDLY NOTE THAT A FAILURE TO EXPRESSLY COVER THIS IN YOUR PROPOSAL WILL RESULT IN YOU PROPOSAL BEING REJECTED WITHOUT FURTHER CONSIDERATION – REQUIRED FOR SCORING DURING PHASE 1

COSTING MODEL

1.1 Indicative Lease rental inflows to ECDC over the term of the lease (Values should correspond with information provided in Item (6) of technical requirements)

<i>Lease periods</i>	<i>Proposed Brand/Make</i>	<i>Monthly Rental (Excl VAT)</i>	<i>Total Annual Rental (Excl VAT)</i>	<i>Total Lease Term Rental (Excl VAT)</i>
Indicative Fixed rental to ECDC				
Indicative variable rental to ECDC				
TOTAL INDICATIVE RENTAL RECEIVABLE BY ECDC OVER FULL PROPOSED LEASE TERM (EXCL VAT)				
VAT 15%				
TOTAL INDICATIVE RENTAL RECEIVABLE BY ECDC OVER FULL PROPOSED LEASE TERM (INCL VAT)				

1.2 Capital Development Costs expected to be incurred by Bidder @ Project Start (Values should correspond to Item (2) of technical requirements)

Indicative Capital Refurbishment costs (Excl VAT)	
Indicative Capital Extension costs (Excl VAT)	
Indicative Capital Improvement costs – New improvements (Excl VAT)	
TOTAL INDICATIVE CAPITAL DEVELOPMENT COSTS (EXCL VAT)	
VAT @ 15%	
TOTAL INDICATIVE CAPITAL DEVELOPMENT COSTS (INCL VAT)	

SIGNATURE OF AUTHORISED PERSON OF BIDDER (Submit Letter of Authority with the Bid)		DATE	
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ANNEXURE I: DECLARATION OF INTEREST

Note: Mandatory Requirement. Failure to complete and Sign this document will result in the bid being non-responsive.

1. Any legal person including 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 connected with or related to persons employed by the state, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where-

- 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.

NO QUOTATIONS/BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE.

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:

2.2 Name of the Bidder's representative:

2.3 Identity Number:

2.4 Position occupied in the Company (director, shareholder etc):

2.5 Company Registration Number:

2.6 Tax Reference Number:

2.7 VAT Registration Number:

2.7.1. The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹“State” means –

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

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

2.8. Are you or any person connected with the bidder presently employed by the state?	Yes <input type="checkbox"/> No <input type="checkbox"/>
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2.8.1. If yes furnish the following details:

<ul style="list-style-type: none">Name of person / director / trustee / shareholder/ member:	
<ul style="list-style-type: none">Name of state institution at which you or the person is connected to the bidder is employed :	
<ul style="list-style-type: none">Position occupied in the said institution:	

Any other particulars:

2.9. 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 <input type="checkbox"/> No <input type="checkbox"/>
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- If so, furnish particulars:

2.10. 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 <input type="checkbox"/> No <input type="checkbox"/>
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- If so, furnish particulars:

2.11. Are you, or any person connected with the bidder aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?	Yes <input type="checkbox"/> No <input type="checkbox"/>
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- If so, furnish particulars:

2.12. Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?	Yes <input type="checkbox"/> No <input type="checkbox"/>
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- If so, furnish particulars

3. The full details of all directors / trustees / members / shareholders must be provided.

Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Personal Number (if applicable)

DECLARATION

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

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2.1 TO 2.11.1 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....

.....

Signature by delegated Authority

Date

.....

.....

Position

Name of Representative

ANNEXURE J – (SBD 8): DECLARATION OF BIDDERS PAST SUPPLY CHAIN MANAGEMENT PRACTICES**Note: Mandatory Requirement. Failure to complete and Sign this document will result in the bid being non responsive.**

This declaration will be used to ensure that when goods and services are being procured, all reasonable steps were taken to combat the

Abuse of the supply chain management system.

The bid of any bidder may be disregarded if that bidder, or any of its directors have-abused ECDC's supply chain management system;

committed fraud or any other improper conduct in relation to such system; or

failed to perform on any previous contract.

In order to give effect to the above, the following questionnaire must be completed and submitted with the bid

Have you (bidder and directors) been listed on the National Treasury's Database of Restricted Bidders as companies or persons prohibited from doing business with the public sector?	Yes <input type="checkbox"/> No <input type="checkbox"/>
--	--

If so, furnish particulars:

Have you (bidder or any of directors) been listed on the Register for Bid Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?	Yes <input type="checkbox"/> No <input type="checkbox"/>
--	--

If so, furnish particulars:

Have you (bidder or any of the 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"/>
---	--

If so, furnish particulars:

Was any contract between you (the bidder) and any organ of state including ECDC terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/> No <input type="checkbox"/>
--	--

If so, furnish particulars:

I /we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the information provided above is true and correct and that I / we acknowledge that ECDC may, in addition to any other remedy it may have –

cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation; forward the matter for criminal prosecution

SIGNATURE of the DELEGATED AUTHORITY		DATE	
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ANNEXURE K – (SBD 9): CERTIFICATE OF INDEPENDENT BID DETERMINATION

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 rigging¹). Collusive bidding is a pe se prohibition meaning that it cannot be justified under any grounds.

I, the undersigned, in submitting the accompanying bid do hereby make the following statements that I certify to be true and complete in every respect:

I have read and I understand the contents of this Certificate;

I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;

I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;

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;

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

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

In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

prices;

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.

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.

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.

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 of the
DELEGATED AUTHORITY**

DATE

SBD 6.1 (Attached)

B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS) or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or an Accounting Officer as contemplated in the Close Corporation Act (CCA) together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed. ECDC reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required