



How do I tender?

# Procurement Process

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- **R1 – R19 999 (Three written quotations/ Registered on the supplier database)**
- **R20 000 – R199 999 (Request for quotation on the website and notice board for seven days)**
- **R200 000 – more (Bid process 14 days advertisement on newspapers)**

# Am I ready to tender?

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- First of all, you need to establish whether your business is capable of meeting the requirements of the tender
- Good banking record, credit history and relationship with its suppliers and clients
- Is able to deliver - on time, on budget and according to specifications
- Is up to date with its rates and taxes
- Has, or can acquire, the right equipment, clothing and accessories to complete the tender



# Does my business have to be registered as a CC or company?

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- No. A sole trader or partnership may tender. However, the business has to be:
- Registered or licensed with the relevant local authority
- It must have a bank account; and
- It must be registered with the South African Revenue Services and must have an up-to-date tax clearance certificate.



# What about tendering together with another business?

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- This is called a joint venture (JV). When two businesses form a joint venture (a partnership between two business) they each contribute to the project and share the profit. In this way two (or more) small businesses may be able to win a large tender that neither would have been able to take on alone.

# What about tendering together with another business?

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- Use the following guidelines when selecting a JV:
- Choose you partner very carefully.
- Like any partnership, a JV thrives on mutual trust and collapses when partners become suspicious of the others motives, agendas and ethics
- Enter into negotiations early
- Rather involve two or more smaller JV partners than one other firm that is much bigger than you are; and
- Draw up a formal JV agreement and state all expectations clearly, including usually vague notions such as the one partner empowering the other with skills.



# How do I complete the tender documentation?

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- With great care and precision! Follow the instructions carefully. Even the smallest error may result in the cancellation of your tender application.
- You will need to complete the following standard forms for municipal government tenders (Annexure A)



# How do I price my tender?

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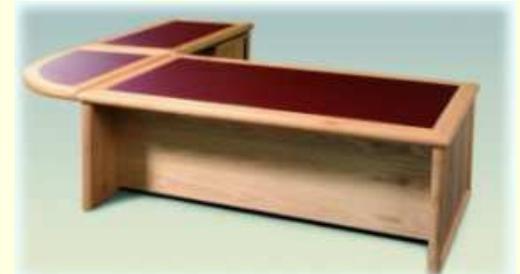
- Keep in mind that you need to make a profit but that competing tenderers may offer a lower price. In order to be competitive, experienced tender advisors normally suggest a cost plus 7.5% tender price. This may vary according the level of expertise and general availability (market) of the service or goods required.



# Do I qualify for Preference Points?

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- The law requires the application of a preference point system for tenderers who are Previously Disadvantaged Individuals (PDIs) or women.
- Generally, for government tenders under R500 000, 80 points of the tender will be adjudicated on price and 20 points on the PDI or gender status of the business owner(s).
- For tenders over R500 000, the 90/10 price system applies.
- You have to complete the relevant section (MBD 6.1 – 6.12) if you want to be eligible for consideration under this system.



# The Letter of Acceptance

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- If you submit your tender to the right address by the due date and time, the Municipal Manager will let you know in writing whether you have been successful or not.
- If your tender was accepted, you have to start planning to deliver the goods or services you offered.



# Do you have any complains?

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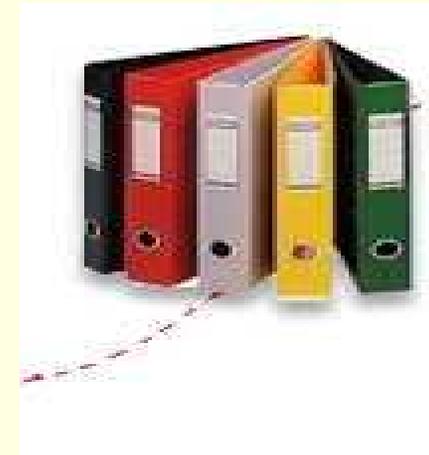
- You can lodge a complain to the Municipal Manager at:

P.O Box 471

VEREENIGING

1930

Fax: 016 455 5264



# Don't give up!

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- If at first you don't succeed, try and try again.
- Every time you complete a tender document you will learn more about the process and requirements of tendering.
- Once you have won a tender, and built up a track record, things get a bit easier.

# I need more help:

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Phone seda at 0860 103 703.

Contact you nearest Tender Advice Centre.

Sedibeng Training Centre

Moshoeshoe Street

Sebokeng

- Tel: 016 988 1350
- Contact person: Ms Lydia Nteo / Ms Julia Kgalema



# What is the Anti Corruption Hotline number?

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**0800 701 701**





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