

PROCUREMENT POLICY SCHEDULE (80/20)

Definitions

- **“Historically Disadvantaged Individual” (HDI)** is defined as a South African citizen –
 - 1) who, due to the apartheid policy that was in place, had no voting rights in the national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No. 100 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) (*“the interim Constitution”*), and/or
 - 2) who is a woman, and/or
 - 3) who has a disability

With the understanding that any person who received South African citizenship on or before the introduction of the interim Constitution, will not be deemed to be HDI.

- **“A woman”** refers to a female person who is a South African citizen.
- **“Disability”** refers to a person with a permanent physical disability, mental disability, awareness disability, which leads to confinement or disability, or the inability to perform bodily functions in the manner or within the capacity of a normal person.
- **“HDI equity ownership”** refers to the percentage of a partnership or business that is owned by individuals, or in the case of a company, the percentage of shares which is owned by individuals who are actively involved in the management decisions and day to day operational activities of the company or business and who exercises control in the business in relation to their ownership at the close of tender. Where individuals are not actively involved in the management and day to day operational activities of the business and who does not exercise control in relation to the percentage of their ownership, Equity ownership points cannot be awarded.

Tenderers will be awarded points on the following basis:

1. Tender Price	80 points
2. Voting rights – Equity ownership	8 points
3. Women – Equity ownership	1 point
4. Disability – Equity ownership	1 point
5. Local nature of enterprise	<u>10 points</u>
TOTAL	100 points

Calculations will be done to two decimal points.

1 Tender Price

The calculation is based on the following formula:

$$P_s = 80 \times \left[1 - \left(\frac{P_t - P_{\min}}{P_{\min}} \right) \right]$$

where

P_s	=	Points awarded for price of tender under consideration
P_t	=	Rand value of tender under consideration
P_{\min}	=	Rand value of lowest accepted tender

2 Voting Rights – Equity Ownership

A maximum of 8 points will be awarded to a Tenderer who did not have voting rights according to the definition of an HDI and/or who is using a subcontractor who is such a person.

Equity ownership for voting rights will be determined by the % of the enterprise owned by such a person or by the % of shares owned by members who are actively involved in the day to day activities of the company or enterprise.

% of Enterprise owned by persons who did not having voting rights%

Thus, points awarded: $8 \times \frac{\text{KK \%}}{100} =$ (carry over to 6.1)

Proof of ownership must be attached in the form of

- 1) certified declaration
- 2) a certified copy of the founding documentation of the company with which the ownership is listed

3 Women – Equity Ownership

A maximum of 1 point will be awarded to a Tenderer who is a woman and/or who is using a subcontractor that is a woman.

Equity ownership for women will be determined by the % of the enterprise owned by such a person or by the % of shares owned by members who are actively involved in the day to day management of the company or enterprise.

% of Enterprise owned by women%

Thus, points awarded: $1 \times \frac{\text{KK \%}}{100} =$ (carry over to 6.2)

Proof of ownership must be attached in the form of

- 1) certified declaration
- 2) a certified copy of the founding documentation of the company with which the ownership is listed
- 3) a certified copy of the ID-document (s) of the woma(e)n

4 Disability – Equity Ownership

A maximum of 1 point will be awarded to a Tenderer who is disabled and/or who is using a disabled subcontractor.

Equity ownership for disability will be determined by the % of the enterprise owned by such a person or by the % of shares owned by members who are actively involved in the day to day activities of the company or enterprise.

% of Enterprise owned by disabled person(s)..... %

Thus points awarded: $1 \times \frac{K K \%}{100} =$ (carry over to 6.3)

Proof of ownership must be attached in the form of

- 1) certified declaration
- 2) a certified copy of the founding documentation of the enterprise with which the ownership is listed
- 3) a certified declaration from your medical doctor certifying the degree of disability

5 Local Nature Of Enterprise

A maximum of 10 points will be awarded to a Tenderer who has an active office in the following areas:

a) Within the boundaries of South Africa?

YES - 1 point
NO - 0 points

b) Within the boundaries of Western Cape?

YES - 3 point
NO - 0 points

c) Within the boundaries of the West Coast District Municipality registered as a levy duty payer?

YES - 6 points
NO - 0 points

TOTAL POINTS AWARDED FOR LOCAL NATURE
OF ENTERPRISE

(Carry over
to 6.4)

In order to be eligible for these points, an active office is defined as an office where staff can be contacted and where your business is run from. The following needs to be attached in order to proof this:

- 1) physical address of company
- 2) registration number of enterprise
- 3) registration number awarded and location of office of local authority where levys are paid

6 SUMMARY OF TOTAL POINTS AWARDED IN SUB SECTIONS 2 TO 5

Sec 2. Voting rights – Equity Ownership

Sec 3. Women – Equity Ownership

Sec 4. Disability – Equity Ownership

Sec 5. Local Nature of Enterprise

Total Points Awarded for Clauses 2 to 5