

RESTRICTED BIDDING



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WHAT IS RESTRICTED BIDDING?

- Restricted bidding is intended to give effect to an enabling environment for increasing the participation of previously disadvantaged Namibians and small and medium enterprises (SMEs) in Erongo RED's procurement process.
- Erongo RED will reserve specific procurement activities/commodities for SME and BEE enterprises.
- The procurement of goods and services reserved exclusively for SME/BEE entities may not exceed the amount of N\$300,000 and/or a service contract with a term longer than 3 years.
- Suppliers need to apply for approval in writing and provide all the required information to Erongo RED for the pre-qualification process.
- Erongo RED will establish and maintain a database of pre-qualified BEE and SME suppliers.
- The list of reserved activities/commodities will be reviewed annually and will be published on the Erongo RED website and/or in two local newspapers.

WHO QUALIFIES FOR RESTRICTED BIDDING?

- **In order to be eligible to participate in restricted bidding, suppliers must fall into at least one of the following categories to apply for registration and pre-qualification:**
 - Namibian registered small and medium enterprise
 - Namibian registered joint venture business
 - Namibian manufacturer and service provider
 - Business owned by previously disadvantaged Namibians
- **Preferential treatment will be given should a company have:**
 - the necessary qualifications, capability, experience, and the appropriate equipment or facilities to provide the goods/services or works required;
 - the legal capacity to enter into a procurement contract;
 - not been declared insolvent or bankrupt or not be under curatorship or in the process of being wound up under the law;
 - not been debarred from participating in Erongo RED procurement processes; and
 - good standing with the Receiver of Revenue in respect of all rates (e.g. Income Tax, VAT, PAYE) and the Social Security Commission.

WHAT COMMODITIES ARE RESERVED FOR SME/BEE COMPANIES FOR THE PERIOD 1 JUNE 2021 TO 30 JULY 2022?

Goods	Description
Arts & Crafts	Artworks, music, musicians, local crafts
Gift Baskets & Hampers	Gifts of gratitude, which includes food, drinks and/or confectionaries (sweets)
Food & Beverages	Takeaway meals, platters, pastries, tea, coffee, sugar, milk, biscuits, bottled water, cool drinks, juice

Services	Description
Cleaning Services	Office cleaning, window cleaning
Laundry Services	Washing of clothes, bedding and tableware
Building Maintenance Services	General painting, repairs to doors, hinges, windows, locks and boundary walls
Plumbing Services	General repairs and maintenance
Tiling Services	General repairs and maintenance
Catering Services	Cooked meals and drinks/cool drinks/water/juice served with meals on specific locations
De-bushing Services	Where no specialised machinery is required
Tarring Services	Where no specialised machinery is required
Paving Services	Related to repair and maintenance after trenching and digging
Trenching & Digging Services	Where no specialised machinery is required
Gardening Services	Cleaning of office yards, outside substations and watering of plants



WHAT DOCUMENTATION IS REQUIRED FOR SUPPLIER APPLICATIONS?

- **Suppliers need to attach certified copies of the following documents to the supplier application form:**
 - Company registration documents;
 - Sole owners need to provide a business fitness certificate;
 - Identification documents (IDs) of all owners/all shareholders or members of the company/closed corporation/partnership;
 - Good standing certificate from Receiver of Revenue in respect of all rates and taxes (e.g. Income Tax, VAT, PAYE, etc.)
 - Good standing certificate from Social Security Commission;
 - Joint Venture Agreement, if in joint venture; and
 - Copy of the founding statements to identify the shareholders.
- **All copies must be certified by the Namibian Police or public Commissioner of Oaths.**
- **Certificates should not be older than 6 months. All certificates should be valid as at the closing date of the application.**

HOW TO COMPLETE AND SUBMIT APPLICATION FORMS

- A sample of a completed application form with tips on how to complete the form is available on the Erongo RED website: www.eronogored.com.
- Please note that only applications received via www.webportunities.net will be considered for evaluation.
- No faxed or e-mailed documents, nor documents received after the specified closing date and time, will be considered for evaluation.

HOW TO REGISTER ONLINE WITH TARA NAWA/WEBPORTUNITIES

- Instructions on how to register a company online with Tara Nawa are available on the Erongo RED website: www.eronogored.com.
- For assistance on the Tara Nawa website, send an e-mail via the 'Contact Us' link on the website or contact Mr. Christian Erasmus or Mr. Elmo Erasmus at Tel: +264 64 402 403.

EVALUATION PROCESS AND METHODOLOGY FOR APPLICATIONS AND TENDERS

● Phase 1: General Tender Responsiveness and Completeness

Responsiveness and completeness of tenders will be assessed based on the provision of all applicable mandatory documents by the bidder. Bidders who fail to submit all mandatory documents will be deemed 'non-responsive/incomplete', and will be excluded from further evaluation.

The following documents are mandatory for all applications and tenders:

- Company registration documents (e.g. CM1, CM9, CM26, CC1, CC2, etc.);
- Sole owners need to provide a business fitness certificate;
- Identification documents (IDs) of all owners/all shareholders or members of the company/closed corporation/partnership;
- Good standing certificate from Receiver of Revenue in respect of all rates and taxes (e.g. Income Tax, VAT, PAYE, etc.);
- Good standing certificate from Social Security Commission;
- Joint Venture Agreement, if in a joint venture; and
- Copy of the founding statements to identify the shareholders of the company.

Certificates should not be older than 6 months. All certificates should be valid as at the closing date of the tender.

● Phase 2: Technical Evaluation (45%)

Bidders will be assessed on the technical evaluation criteria as per the tender document or application. The total technical evaluation counts out of 100 points, and carries a weight of 45% of the final score.

For a bidder to proceed to the next phases, the bidder must score 60% and above on the technical score.

Bidders who fail to achieve the required minimum score of 60% will be deemed 'technically non-responsive'. Such bidders will be excluded from further evaluation.

Technical Score (100 points) = Company Experience (60 points) + Key Personnel (40 points)

Technical Percentage Score (%) = $\frac{\text{Technical Score}}{100 \text{ points}} \times 45\%$



● Phase 3: BEE and SME Evaluation (35%)

The total BEE and SME evaluation is out of 100 points, and carries a weight of 35% of the final score.

The following criteria will be used as guidelines for scoring/evaluating BEE and SME entities:

- BEE Ownership (20 points)
- BEE Management Control (15 points)
- Employment Equity (Women/persons with disabilities ownership) (15 points)
- Skills Development (Other than own employees) (5 points)
- Preferential Procurement (National/Regional) (15 points)
- Enterprise Development (Registered BEE or SME) (10 points)
- Residual (Contributions to social causes) (10 points)

= BEE & SME Score (100 points)

$$\text{Bidder's BEE \& SME Percentage Score (\%)} = \frac{\text{BEE Score}}{100 \text{ points}} \times 35\%$$

● Phase 4: Price Evaluation (20%)

The total price evaluation counts 20% of the final score. Bidders will be rated according to their tendered prices for individual items as indicated in the price schedules of the tender/quotation document.

Applications will not be scored on Phase 4 during the application for pre-qualification. Phase 4 will only be scored when requests for quotations have been submitted to shortlisted suppliers and during the normal tender process.

Points will be determined and allocated based on a comparison with the pre-determined engineering cost estimate.

Where the price of a potentially winning submission per the requirements above exceeds the estimated engineering/project cost by more than 20%, the tender may not be awarded.

$$\text{Bidder's Price Percentage Score} = 20\% * \left(1 - \frac{P_{\text{Tendered}} - P_{\text{Low}}}{P_{\text{Low}}}\right)$$

Where: P_{Tendered} = Price of bid under consideration
 P_{Low} = Engineering cost estimate

● Overall Competitive Score

Technical Score 45% + BEE and SME Score 35% + Price Score 20%
= Overall Competitive Score

The highest overall competitive scorer will be recommended as the preferred/successful supplier to the Tender Committee for approval.

OTHER BUSINESS OPPORTUNITIES AT ERONGO RED

General tenders with a total value above N\$300,000

- All suppliers can participate in Erongo RED tenders.
- General tenders will be advertised in newspapers and on the Erongo RED website.
- Tenders will close 21 days after advertisement.
- Tender document fees are applicable.
- Original tender documents must be collected at the Erongo RED Head Office in Walvis Bay.
- Original tender submissions must be deposited in the tender box before the closing date and time. No late tender submissions will be accepted.

Quotations with an expected total value close to N\$300,00 or request for quotations from shortlisted suppliers

- All suppliers can participate unless the quotation is for items where suppliers have already been shortlisted through a previous tender process.
- Quotations will be advertised in newspapers and on the Erongo RED website.
- Tenders will close 14 days after advertisement.
- Document fees are applicable. There will be no document fees for shortlisted suppliers.
- Original quotation documents need to be collected at the Erongo RED Head Office in Walvis Bay.
- Original quotation submissions must be deposited in the tender box before the closing date and time. No late quotation submissions will be accepted.

Day-to-day request for quotations with a total value under N\$300,000

- Any supplier can participate in Erongo RED's normal day-to-day request for quotations.
- Quotations will be posted/advertised on Tara Nawa: www.webportunities.net.
- The validity period of advertisements for quotations will vary, depending on particular circumstances and needs.
- No document fees or registration fees are applicable.
- Quotations must be submitted online on Tara Nawa before the closing date and time. Late submission will not be possible.

CONTACT DETAILS

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