INVITATION TO BID

BID REFERENCE NUMBER: E 1360

APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE DEPARTMENT OF ENVIRONMENTAL AFFAIRS FOR A PERIOD OF THREE (3) YEARS, BASED ON ANNUAL PERFORMANCE REVIEWS

Contact person:
Name: Mr Anthony Pillay and Mr Hanlie Schoeman
Office Telephone No: (012) 399 9903/9890
E-MAIL: anpillay@environment.gov.za/hschoeman@environment.gov.za

NATIONAL TREASURY CENTRAL SUPPLIER DATABASE (CSD) REGISTRATION INFORMATION

<table>
<thead>
<tr>
<th>Company name</th>
<th>Supplier registration number</th>
<th>Unique reference number</th>
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Main contractor

Sub-contracted/ joint venture comp 1

Sub-contracted/ joint venture comp 2

Sub-contracted/ joint venture comp 3

A Compulsory briefing session will be held as follows:

Meeting Venue: Department of Environmental Affairs, Environmental House, 473 Steve Biko, Corner Soutpansberg and Steve Biko Road, Arcadia Pretoria
Date: 14-11-2016
Time: 10H00

CLOSING DATE OF THE BID: 25 November 2016 AT 11H00
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF ENVIRONMENTAL AFFAIRS

BID NUMBER: E 1360 CLOSING DATE: 25-11-2016 CLOSING TIME: 11:00

DESCRIPTION: APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE DEPARTMENT OF ENVIRONMENTAL AFFAIRS FOR A PERIOD OF THREE (3) YEARS, BASED ON ANNUAL PERFORMANCE REVIEWS

The successful bidder will be required to fill in and sign a written Contract Form (SBD 7).

BID DOCUMENTS SHOULD BE DEPOSITED IN THE BID BOX SITUATED AT: Department of Environmental Affairs; The Environment House, 473 Steve Biko Road; Cnr Soutpansberg and Steve Biko Road, Arcadia Pretoria /Tshwane

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will not be accepted for consideration.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS – (NOT TO BE RE-TYPED)

NB: TWO BID PROPOSALS MUST BE SUBMITTED, CLEARLY MARKED: ORIGINAL AND COPY

THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

THE FOLLOWING PARTICULARS MUST BE FURNISHED
(FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

NAME OF BIDDER ………………………………………………………………………………………………………………………
POSTAL ADDRESS ……………………………………………………………………………………………………………………
STREET ADDRESS …………………………………………………………………………………………………………………
TELEPHONE NUMBER CODE……………NUMBER………………………………………………………………………………
CELLPHONE NUMBER …………………………………………………………………………………………………………………
FACSIMILE NUMBER CODE ……… ….NUMBER………………………………………………………………………………
E-MAIL ADDRESS …………………………………………………………………………………………………………………
VAT REGISTRATION NUMBER ………………………………………………………………………………………………………

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2) YES or NO

HAS A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE BEEN SUBMITTED? (SBD 6.1) YES or NO

IF YES, WHO WAS THE CERTIFICATE ISSUED BY?

AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)………………………………………………
A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS); OR…………………………
A REGISTERED AUDITOR ………………………………………………………

[TICK APPLICABLE BOX]
(A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE)

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED? YES or NO

[IF YES ENCLOSE PROOF]

SIGNATURE OF BIDDER ……………………………………………………………………………………………………………………………

DATE ……………………………………………………………………………………………………………………………………………

CAPACITY UNDER WHICH THIS BID IS SIGNED ………………………………………………………………………………………………………………………

_____________________________________________________________________________________________________________________

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Department: Environmental Affairs

Contact Person: Mr Samuel Mofokeng / Mr Renold Mokoena

Tel: (012) 399 9057 or (012) 399 9055

E-mail: SMofokeng@environment.gov.za or RMokoena@environment.gov.za

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Technical Contact Persons:
Name: Mr Anthony Pillay
Office Telephone No: (012) 399 9903
E-Mail: anpillay@environment.gov.za

Alternatively

Name: Ms Hanlie Schoeman
Office Telephone No: (012) 399 9890
E-mail: hschoeman@environment.gov.za
TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder’s tax obligations.

1. In order to meet this requirement bidders are required to complete in full the attached form TCC 001 “Application for a Tax Clearance Certificate” and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.

2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.

3. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.

4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.

5. Copies of the TCC 001 “Application for a Tax Clearance Certificate” form are available from any SARS branch office nationally or on the website www.sars.gov.za.

6. 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.
PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: …………………………………………………………………………………………………………………………… BID NO: E 1360
CLOSING TIME: 11:00
CLOSING DATE: 25-11-2016

OFFER TO BE VALID FOR ……90……DAYS FROM THE CLOSING DATE OF BID.

DESCRIPTION: APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE DEPARTMENT OF ENVIRONMENTAL AFFAIRS FOR A PERIOD OF THREE (3) YEARS, BASED ON ANNUAL PERFORMANCE REVIEWS

** (ALL APPLICABLE TAXES INCLUDED)

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION

<table>
<thead>
<tr>
<th>PERSON AND POSITION</th>
<th>HOURLY RATE</th>
<th>DAILY RATE</th>
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5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

<table>
<thead>
<tr>
<th>PHASE</th>
<th>COST PER PHASE</th>
<th>MAN-DAYS</th>
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</table>

5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

<table>
<thead>
<tr>
<th>DESCRIPTION OF EXPENSE TO BE INCURRED</th>
<th>RATE</th>
<th>QUANTITY</th>
<th>AMOUNT</th>
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TOTAL: R………………………………………………….

** "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance contributions and skills development levies.
5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

<table>
<thead>
<tr>
<th>DESCRIPTION OF EXPENSE TO BE INCURRED</th>
<th>RATE</th>
<th>QUANTITY</th>
<th>AMOUNT</th>
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TOTAL: R……………………………………………………

6. Period required for commencement with project after acceptance of bid

7. Estimated man-days for completion of project

8. Are the rates quoted firm for the full period of contract? *YES/NO

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

*[DELETE IF NOT APPLICABLE]*

Any enquiries regarding bidding procedures may be directed to the –

Department of Environmental Affairs

**Contact Person:** Samuel Mofokeng / Renold Mokoena  
**Tel:** (012) 399 9057 or (012) 399 9055  
**E-mail:** SMofokeng@environment.gov.za or RMokoena@environment.gov.za

Or for technical information –

**Technical Contact Persons:**  
**Name:** Mr Anthony Pillay  
**Office Telephone No:** 012 399 9903  
**E-mail:** anpillay@environment.gov.za

Alternatively

**Name:** Hanlie Schoeman  
**Office Telephone No:** 012 399 9890  
**E-mail:** hschoeman@environment.gov.za
DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

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

2.1 Full Name of bidder or his or her representative: ……………………………………………………………

2.2 Identity Number:……………………………………………………………………………………………………

2.3 Position occupied in the Company (director, trustee, shareholder², member): …………………………………………………………………………………………………………………………………………………

2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust: ………………………………………………………………………………………………………………………………………

2.5 Tax Reference Number: ……………………………………………………………………………………………

2.6 VAT Registration Number: ……………………………………………………………………………………………

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

¹”State” means –

- 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);
- any municipality or municipal entity;
- provincial legislature;
- national Assembly or the national Council of provinces; or
- Parliament.

²”Shareholder” means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.
2.7 Are you or any person connected with the bidder presently employed by the state? YES / NO

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .................................
Name of state institution at which you or the person connected to the bidder is employed: .................................
Position occupied in the state institution: .................................

Any other particulars:
............................................................................................................................
............................................................................................................................
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2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? YES / NO

2.7.2.1 If yes, did you attach proof of such authority to the bid document? YES / NO

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:
............................................................................................................................
............................................................................................................................
............................................................................................................................

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? YES / NO

2.8.1 If so, furnish particulars:
............................................................................................................................
............................................................................................................................
............................................................................................................................

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? YES / NO

2.9.1 If so, furnish particulars.
............................................................................................................................
2.10  Are you, or any person connected with the bidder, YES/NO
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?

2.10.1 If so, furnish particulars.
........................................................................................................
........................................................................................................

2.11  Do you or any of the directors / trustees / shareholders / members YES/NO
of the company have any interest in any other related companies
whether or not they are bidding for this contract?

2.11.1 If so, furnish particulars:
........................................................................................................
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3  Full details of directors / trustees / members / shareholders.

<table>
<thead>
<tr>
<th>Full Name</th>
<th>Identity Number</th>
<th>Personal Income Tax Reference Number</th>
<th>State Employee Number / Persal Number</th>
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</table>
4 DECLARATION

I, THE UNDERSIGNED (NAME)………………………………………………………………………………

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

..............................................  .................................................................
Signature                           Date

..............................................  .................................................................
Position                            Name of bidder

November 2011
This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2011.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R1 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R1 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed R1 000 000 (all applicable taxes included) and therefore the 90/10 system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

(a) Price; and
(b) B-BBEE Status Level of Contribution.

1.3.1 The maximum points for this bid are allocated as follows:

<table>
<thead>
<tr>
<th>POINTS</th>
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<tbody>
<tr>
<td>1.3.1.1 PRICE</td>
</tr>
<tr>
<td>90……………</td>
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<tr>
<td>1.3.1.2 B-BBEE STATUS LEVEL OF CONTRIBUTION</td>
</tr>
<tr>
<td>10……………</td>
</tr>
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</table>

Total points for Price and B-BBEE must not exceed 100

1.4 Failure on the part of a bidder to fill in and/or to sign this form and submit a 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.

1.5. The purchaser 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 by the purchaser.

2. DEFINITIONS

2.1 “all applicable taxes” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
2.2 “B-BBEE” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

2.3 “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;

2.4 “bid” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;

2.5 “Broad-Based Black Economic Empowerment Act” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

2.6 “comparative price” means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;

2.7 “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;

2.8 “contract” means the agreement that results from the acceptance of a bid by an organ of state;

2.9 “EME” means any enterprise with an annual total revenue of R5 million or less.

2.10 “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;

2.11 “functionality” means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and 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 a bidder;

2.12 “non-firm prices” means all prices other than “firm” prices;

2.13 “person” includes a juristic person;

2.14 “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;

2.15 “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;

2.16 “total revenue” bears the same meaning assigned to this expression 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 and promulgated in the Government Gazette on 9 February 2007;

2.17 “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; and

2.18 “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.

3. **ADJUDICATION USING A POINT SYSTEM**
3.1 The bidder obtaining the highest number of total points will be awarded the contract.

3.2 Preference points 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.

3.3 Points scored must be rounded off to the nearest 2 decimal places.

3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.

3.5 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.

3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

\[
Ps = 80 \left( 1 - \frac{Pt - P_{\text{min}}}{P_{\text{min}}} \right) \quad \text{or} \quad Ps = 90 \left( 1 - \frac{Pt - P_{\text{min}}}{P_{\text{min}}} \right)
\]

Where

- \( Ps \) = Points scored for comparative price of bid under consideration
- \( Pt \) = Comparative price of bid under consideration
- \( P_{\text{min}} \) = Comparative price of lowest acceptable bid

5. Points awarded for B-BBEE Status Level of Contribution

5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

<table>
<thead>
<tr>
<th>B-BBEE Status Level of Contributor</th>
<th>Number of points (90/10 system)</th>
<th>Number of points (80/20 system)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
<td>20</td>
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<td>2</td>
<td>9</td>
<td>18</td>
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<td>3</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>4</td>
<td>5</td>
<td>12</td>
</tr>
</tbody>
</table>
5.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA’s approval for the purpose of conducting verification and issuing EMEs with B-BBEE Status Level Certificates.

5.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.

5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

5.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

6. BID DECLARATION

6.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.3.1.2 AND 5.1

7.1 B-BBEE Status Level of Contribution: ............. = .............(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

8 SUB-CONTRACTING
8.1 Will any portion of the contract be sub-contracted? YES / NO (delete which is not applicable)

8.1.1 If yes, indicate:
   (i) what percentage of the contract will be subcontracted? .................................%
   (ii) the name of the sub-contractor? ........................................................................
   (iii) the B-BBEE status level of the sub-contractor? ..............................................
   (iv) whether the sub-contractor is an EME? YES / NO (delete which is not applicable)

9 DECLARATION WITH REGARD TO COMPANY/FIRM

9.1 Name of company/firm .............................................................................................. :

9.2 VAT registration number ..........................................................................................

9.3 Company registration number ..................................................................................

9.4 TYPE OF COMPANY/ FIRM

☐ Partnership/Joint Venture / Consortium
☐ One person business/sole propriety
☐ Close corporation
☐ Company
☐ (Pty) Limited
[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

9.6 COMPANY CLASSIFICATION

☐ Manufacturer
☐ Supplier
☐ Professional service provider
☐ Other service providers, e.g. transporter, etc.
[TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business? ..........................

9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBEE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

   (i) The information furnished is true and correct;
   (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
   (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
   (iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent
basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

(a) disqualify the person from the bidding process;
(b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
(c) 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;
(d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
(e) forward the matter for criminal prosecution

WITNESSES:

1. ........................................

                                           SIGNATURE(S) OF BIDDER(S)

2. ........................................

DATE:........................................
ADDRESS:....................................
                                           ...........................................
DECLARATION OF BIDDER’S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1 This Standard Bidding Document must form part of all bids invited.

2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.

3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-

   a. abused the institution’s supply chain management system;
   b. committed fraud or any other improper conduct in relation to such system; or
   c. failed to perform on any previous contract.

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

<table>
<thead>
<tr>
<th>Item</th>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Is the bidder or any of its directors listed on the National Treasury’s Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the audi alteram partem rule was applied). The Database of Restricted Suppliers now resides on the National Treasury’s website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>4.1.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.2</td>
<td>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury’s website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>4.2.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
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<tr>
<td>4.3</td>
<td>Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>4.3.1</td>
<td>If so, furnish particulars:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.4</td>
<td>Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>
4.4.1 If so, furnish particulars:

SBD 8

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)…………………………………………………
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION
FORM IS TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT,
ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION
PROVE TO BE FALSE.

.................................................  ........................................
Signature                      Date

.................................................  ........................................
Position                        Name of Bidder

Js365bW
1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.

2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a pe se prohibition meaning that it cannot be justified under any grounds.

3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
   a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution’s supply chain management system and or committed fraud or any other improper conduct in relation to such system.
   b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.
CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

_____________________________________

(Bid Number and Description)

in response to the invitation for the bid made by:

_____________________________________

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: ________________________________ that:

(Name of Bidder)

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

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

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

4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;

5. For the purposes of this Certificate and the accompanying bid, I understand that the word “competitor” shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

(a) has been requested to submit a bid in response to this bid invitation;

(b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and

(c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

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

   (a) prices;
   (b) geographical area where product or service will be rendered (market allocation)
   (c) methods, factors or formulas used to calculate prices;
   (d) the intention or decision to submit or not to submit, a bid;
   (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
   (f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

………………………………………………….  …………………………………
Signature        Date

………………………………………………….  …………………………………
Position         Name of Bidder

TERMS OF REFERENCE

APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE DEPARTMENT OF ENVIRONMENTAL AFFAIRS FOR A PERIOD OF THREE (3) YEARS, BASED ON ANNUAL PERFORMANCE REVIEWS
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<th>TABLE OF CONTENTS</th>
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<td>8</td>
<td>Quality Assurance Reviews of Work</td>
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<td>Continuity and Profile of Senior Staff</td>
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<td>12</td>
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<tr>
<td>14</td>
<td>Evaluation Criteria</td>
<td>12</td>
</tr>
</tbody>
</table>
1. PURPOSE
The purpose of this Request for Proposals (RFP) is to obtain bids from prospective independent service providers for the provision of a co-sourced Internal Audit (IA) service at the Department of Environmental Affairs (Department).

2. INTRODUCTION AND BACKGROUND
2.1 The Public Finance Management Act No. 1 of 1999 (as amended) (PFMA) requires the establishment of an effective system of internal audit under the control and direction of an Audit Committee (Section 38 (1)(a)(ii). This function will be co-sourced by the Department.

2.2 The co-sourced IA service has been functioning at the Department for the past nine (9) years with external audit services performed by the Office of the Auditor-General of South Africa (AG). The Department has received unqualified audit reports for this period.

3. OBJECTIVES
3.1 Provide a co-sourced IA service at the Department in cooperation with Management, the Audit Committee (AC) and the AG.

3.2 Contribute to the achievement and maintenance of the Department’s clean audit record.

4. SCOPE AND EXTENT OF WORK
The scope of the co-sourced IA service includes at least the under-mentioned. Any other functions that may be required by the service provider may be offered and/or clearly defined.

4.1 The co-sourced IA service must be conducted in accordance with the Standards set by the Institute of Internal Auditors (IIA).

4.2 The IA function must, in consultation with the AC, prepare:

a) A rolling three-year strategic IA plan based on an assessment of key risk areas of the Department, having regard to its current operations, the proposed operations in the Department’s strategic plan and its risk management strategy.

b) A risk-based annual operational IA plan.
c) Plans indicating the scope, cost and timelines of each audit area contained in the annual operational plan mentioned in (b) above.

d) Progress reports to the AC detailing its performance against the IA plans to allow effective monitoring and intervention.

4.3 The IA function must coordinate with other internal and external assurance providers to ensure adequate coverage and to minimise duplications.

4.4 The IA function must assist Senior Management in maintaining effective controls by evaluating the control environment, the system of internal control through audit assignments and providing recommendations for the enhancement of existing processes through which:

a) Objectives and values are established and communicated.

b) Achievement of objectives is monitored.

c) Accountability is ensured.

d) Corporate values are preserved.

e) The adequacy and effectiveness of the system of internal controls are reviewed and appraised.

f) The relevance, reliability and integrity of management, financial and operating data and reports are appraised.

g) Systems established to ensure compliance with policies, plans, procedures, statutory requirements and regulations, which could have a significant impact on operations.

h) The safeguarding assets are reviewed and, as appropriate, verifying the existence of such assets.

i) The economy, efficiency and effectiveness with which resources are employed are appraised.
j) The results of operations or programmes are reviewed to ascertain whether results are consistent with the Department’s established objectives and goals, whether the operations or programmes are being carried out as planned.

k) The adequacy of established systems and procedures are assessed.

4.5 In planning and conducting its work, the service provider should seek to identify serious defects in the internal controls, which might result in possible maladministration. Any such defects must be reported immediately to the Director: Internal Audit (DIA), Director-General (DG) and/or the AC, without disclosing said defects to any other staff member. This also applies to instances where fraudulent irregularities are uncovered.

4.6 The service provider may be required to provide a senior in charge to act as the Chief Audit Executive (CAE) for the Department, on request.

4.7 In determining the extent of work as well as the price per annum, the service provider must use an estimate of 1700 hours to complete the audit projects planned for each financial year of the contract term. The service provider must provide information related to the team composition, applicable rates and estimated disbursements in line with the provisions of paragraph 11.18 below.

5. DURATION OF THE ASSIGNMENT
The contract is anticipated to run for a period of three (3) years, renewable annually based on satisfactory performance.

6. PERFORMANCE MEASURES
The performance measures for the delivery of the co-sourced IA service will be closely monitored by the DIA/CAE of the Department.

7. EXPECTED OUTCOMES AND DELIVERABLES

7.1 Performance of audit assignments
All audit assignments are to be carried out according to the three-year strategic IA plan, as approved by Management and the AC. Each audit assignment should at least consist of the following:
a) Pre-audit survey.
b) An engagement/notification letter.
c) Audit Planning Memorandum (APM).
d) Minutes of opening and closing meetings.
e) Risk assessment document.
f) Systems description/documentation.
g) Audit programmes.
h) Sampling methodology.
i) Mechanisms for follow-up on progress of the implementation of management agreed action plans and feedback to Management and the AC.
j) Mechanism to ensure that working papers are reviewed at the appropriate level.
k) Record of work performed (Audit Working Papers).
l) Audit findings, root cause, the impact of risk, audit recommendations and management agreed action plans/dates.
m) Reporting (draft IA report and final IA report).
n) Presentation of the significant findings and critical audit findings to Management and/or the AC.
o) Follow-up of previously reported internal/external audit findings.

7.2 Reporting Requirements

The structure of IA reports submitted by the co-sourced IA service provider should be as follows:

a) Introduction.
b) Audit objectives and scope.
c) Background.
d) Executive summary highlighting significant and critical findings.
e) Findings, audit recommendations and agreed management action plans, including implementation dates.
f) Conclusion and/or audit opinion.
g) The service provider is to deliver to the Department's DIA/CAE hard-copies and electronic copies of the final IA report for onward submission to the DG, AC and other interested parties as per the distribution list.
h) The service provider will ensure that the working paper files conform to the Standards for the Professional Practice of the Institute of Internal Auditors (IIA Standards). The
original working paper files, reviewed at the appropriate level, are to be delivered with the final IA report to the DIA/CAE.

8. QUALITY ASSURANCE REVIEWS OF WORK
The service provider shall ensure that all work conforms to the IIA Standards. Such work may also be subjected to an external quality assurance review, as necessary.

9. MONITORING PROGRESS ON ASSIGNMENTS
9.1 The service provider will provide the DIA/CAE with monthly progress reports on the assignments outlined in the three-year IA plan.

9.2 The service provider will inform the DIA/CAE immediately of any situation that may hinder the progress of the audit assignments.

9.3 The service provider will attend meetings to provide feedback and discuss the progress in terms of the IA plan as and when required by the DIA/CAE.

10. CONTINUITY AND PROFILE OF SENIOR STAFF
10.1 The service provider must guarantee the presence of the senior in charge of fieldwork throughout the duration of the contract. Prior to replacement of the senior, the DIA/CAE must approve such replacement.

10.2 The replacement senior must possess comparable expertise and years of experience as the senior being replaced.

10.3 If the senior in charge has to leave the project, a notice period of at least one (1) month is required in which the senior must work parallel with his/her replacement in order to transfer skills and knowledge. The service provider shall bear the costs of the parallel seniors during the notice period and will not levy any additional charges.

11. SPECIAL CONDITIONS OF BID
11.1 Bids will be subject to Supply Chain Management conditions as follows:
The Preferential Procurement Regulations, 2011 issued in terms of section 5 of the Preferential Procurement Policy Framework Act (Act No 5 of 2000), aligned with the aims of the Broad Based Black Economic Empowerment Act and its Codes of Good Practice. In accordance with this Act, submissions will be adjudicated in two stages: firstly, on functionality which must be done in terms of the evaluation criteria indicated in section 14 and the minimum threshold referred to in paragraph 14.1 below. A bid must be disqualified if it fails to meet the minimum threshold for functionality as per the bid invitation and secondly, only the qualifying bids will be evaluated in terms of the 90/10 preference points systems, where the 90 points will be used for price only and the 10 points will be awarded in terms of the of the B-BBEE Contributor level as per the B-BBEE Verification Certificate submitted by the service provider.

11.2 The proposal should include the following:
   a) A proposed plan of action.
   b) A list of references.
   c) Ability to ensure continuity of staff on the project.

11.3 A compulsory briefing session will be held on 14 November 2016, at 10:00 the Department of Environmental affairs, Environment House, 473 Steve Biko road, corner Soutpansberg and Steve Biko road arcadia Pretoria.

11.4 According to changes in the verification of Tax Clearance Certificates (TCC), where the bidder does not provide an original valid TCC, the bidder must provide the Department with the applicable unique security PIN in order for the Department to verify the tax status of the bidder on the Electronic Tax Compliance Status System (as per National Treasury Instruction Note 3 of 2014/2015). Failure to submit valid clearance on the service provider’s tax status will result in the invalidation of the bid.

11.5 In bids where Consortia / Joint Ventures / Sub-contractors are involved, such must be clearly indicated and each party must submit a separate TCC or tax clearance security PIN together with the bid. A copy of the contractual agreement between the parties to the Consortia / Joint Ventures / Sub-contractors must be included in the bid proposal. Failure to declare Consortia / Joint Ventures / Sub-Contractors may serve as grounds for summary termination of the contract with the service provider.
11.6 All the conditions specified in the General Conditions of Contract (GCC) will apply and where the conditions in the special conditions of contract contradicts the conditions in the GCC, the special conditions of contract will prevail.

11.7 The curriculum vitae (CVs) of the staff who will be available for the duration of the contract must be attached to the bid.

11.8 The bid proposals should be submitted with all required information containing technical and price information. (NB. The Department’s Entity Maintenance Form included in the bid documents must be completed and returned with the bid together with proof of registration on the Central Supplier Database (CSD) operated by National Treasury.)

11.9 Only bidders that score at least 75% for the technical evaluation will be considered for further evaluation.

11.10 Service providers are requested to submit an original and valid B-BBEE Status Level Verification Certificate or certified copies thereof issued by verification agencies accredited by SANAS or registered auditors approved by the IRBA together with their bids, to substantiate their B-BBEE rating claims. Failure to provide same will result in the preference points claimed being forfeited.

11.11 Bidders who do not submit B-BBEE Status Level Verification Certificates or are non-compliant contributors to B-BBEE do not qualify for preference points for B-BBEE but will not be disqualified from the bidding process. Such bidders will score zero (0) points for B-BBEE.

11.12 Bidders who do not submit B-BBEE Status Level Verification Certificates or are non-compliant contributors to B-BBEE do not qualify for preference points for B-BBEE but will not be disqualified from the bidding process. They will score zero (0) points out of 10 for B-BBEE.

11.13 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.

11.14 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard
as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

11.15 Public entities and tertiary institutions must also submit B-BBEE Status Level Verification Certificates together with their bids.

11.16 A bidder will not be awarded the points claimed for B-BBEE status level of contribution if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the contract value to any other enterprise that does not qualify for at least the same number of points that the bidder qualifies for, unless the intended sub-contractor is an EME (Exempted Micro Enterprise) that has the capacity and the ability to execute the sub-contract.

11.17 The Department reserves the right to invite short-listed bidders to present their bid proposals for final decision.

11.18 Bidders must be prepared to provide services at rates not exceeding those prescribed by the Office of the Auditor-General of South Africa or the Department of Public Service and Administration (DPSA).

11.19 The bid proposal should include a breakdown of the hourly tariff inclusive of Value-Added Tax (VAT) for services rendered.

11.20 The Department shall not pay for any unproductive or duplicated time spent by the service provider on any assignment as a result of staff changes or redrafting of reports due to incorrect findings.

11.21 Travelling costs and time spent or incurred between home and office of consultants and DEA office will not be for the account of DEA.

11.22 A specified Skills Transfer Plan must be included in the proposal for the development, coaching and training of Departmental IA staff.

11.23 Intellectual property rights will vest in DEA.

11.24 Prospective bidders must submit their bid proposals in two envelopes:
a) One envelope with the technical proposal including the following:
   • A valid and original Tax Clearance Certificate issued by SARS.
   • Entity registration Certificate (CK1)
   • A response to the terms of reference.
   • A project plan that states the methodology and approach for accomplishing the task, project phases if applicable, time frames and outputs (excluding cost for the project).
   • Profile of the company and description of similar work undertaken,
   • Numbers, names and CVs of consultants assigned to the project, including their roles and responsibilities,
   • Agreement between service providers in the case of a joint venture/Consortium
   • Letter of authority to sign documents on behalf of the company/joint venture/Consortium

b) The other envelope with the financial proposal (pricing schedule (SBD3.3) or other spread sheets with all cost related items, cost breakdown) (original)

11.25 The following information must be endorsed on each envelope:
   • Bid number:
   • Closing date:
   • Name of the Bidder:
   • Technical Proposal or Financial Proposal

11.26 The Department is not bound to select any of the prospective service providers submitting bid proposals. The Department reserves the right not to award the bid to any prospective bidder and not to award the contract to the lowest bidding price. The Department furthermore, reserves the right to renegotiate the bid proposal of the preferred bidder.

11.27 Before any work can commence the service level agreement must be signed by both parties (the Department and the successful bidder) as well as the issue of an official order and should there be any dispute regarding the finalisation of the agreement, DEA reserves the right to cancel the contract with no cost implications for the Department.

11.28 The evaluation of bid proposals can only be done on the basis of information provided by the potential bidders. The comprehensiveness of the bid proposal can therefore be decisive in the awarding of the contract.

11.29 The Department will not be held responsible for any costs incurred by the bidder in the preparation, presentation and submission of the bid proposals.

11.30 Prospective suppliers and / or public entities interested in pursuing opportunities with the Department and within the South African government should be registered on the National
Treasury Central Supplier Database. This self-registration application represents an expression of interest from the supplier to conduct business with the Department and the South African government.

11.31 Prospective suppliers and / or public entities must provide the department with their CSD registration number and unique reference number on submission of their bid proposals including those of sub-contractors and/ or joint venture companies.

12. PAYMENT TERMS
The Department undertakes to pay out in full, within 30 (thirty) days, all valid claims for work done to its satisfaction upon presentation of a substantiated claim and the required reports stipulated in special conditions. No payment will be made where there is outstanding information/work not submitted by the service provider until that outstanding information is submitted.

13. TECHNICAL ENQUIRIES
Should you require any further information in this regard, please do not hesitate to contact:

a) Mr Anthony Pillay: 012–399 9903 (anpillay@environment.gov.za)

b) Ms Hanlie Schoeman: 012–399 9890 (hschoeman@environment.gov.za)

14. EVALUATION CRITERIA
14.1 All bids will be evaluated for functionality and must score at least 75% in order to proceed to the second stage of the evaluation.

14.2 All bid proposals submitted will be evaluated in accordance with the 90/10 principle and the evaluation scale will be as follows:

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<thead>
<tr>
<th>0</th>
<th>Non-compliant</th>
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<tbody>
<tr>
<td>1</td>
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<td>Fair</td>
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<tr>
<td>3</td>
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</tr>
<tr>
<td>4</td>
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</tr>
<tr>
<td>5</td>
<td>Excellent</td>
</tr>
</tbody>
</table>

14.3 The 90/10 principle is applied as follows:
<table>
<thead>
<tr>
<th>No.</th>
<th>CATEGORY</th>
<th>WEIGHT</th>
<th>SCORE</th>
<th>TOTAL (Weight X Score)</th>
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<tr>
<td>A</td>
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<td></td>
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<td>1.</td>
<td>Bidder’s understanding of the brief and expectations of the Department in terms of its needs.</td>
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<td>2.</td>
<td>The experience in the fields of auditing/internal auditing/risk management, includes both the public sector and the private sector.</td>
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<td>3.</td>
<td>Capability and Experience (number of project team members to handle the project/ submit names and the relevant CVs). The experience and educational background of the personnel proposed to provide the service. Assessment of the condensed Curricula Vitae of personnel involved on the projects.</td>
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<td>4.</td>
<td>A proposed plan of action to achieve the objectives – the methodology to be employed, should be submitted for evaluation.</td>
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<td>PRICE</td>
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<td>C</td>
<td>B-BBEE Status Level Contributor</td>
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<td></td>
<td>Non –compliant contributor</td>
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</table>

NB: A bid will not be disqualified from the bidding process if the bidder does not submit a certificate substantiating the B-BBEE status level of contribution or is a non-compliant contributor. Such a bidder will score 0 out of a maximum of 10 points for B-BBEE.
In evaluating the technical information contained in the bid proposal, the evaluation committee will be guided by the following:

a) **Bidder's understanding of the brief** – The bid proposal provides a clear indication that the bidder fully understands the purpose and scope of the work and the bidders’ own role and functions in this regard.

b) **Track Record** – The bid proposal provides clear information on previous, relevant projects that confirm that the bidder has the required experience and successful track record in the applicable area.

c) **Capability and experience** – The bid proposal provides a clear indication that the bidder’s team comprises people with the necessary experience, skills, qualifications and knowledge required to ensure the efficient and effective generation of the required deliverables to the highest standards of quality.

d) **Proposed Plan** – The bid proposal includes a comprehensive proposed plan of action to achieve the objectives; the methodology to be employed should be submitted for evaluation.
NOTES

The purpose of this document is to:

(i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and

(ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.
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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.

1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 “Day” means calendar day.

1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.

1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.

1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the
1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 “GCC” means the General Conditions of Contract.

1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, 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 place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 “Project site,” where applicable, means the place indicated in bidding documents.

1.21 “Purchaser” means the organization purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such
obligations of the supplier covered under the contract.

1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

6.1 The supplier shall indemnify the purchaser 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 the purchaser.
7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier’s failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser’s country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier’s or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier’s performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested or
analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods’ final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

11.1 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 in the manner specified in the SCC.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

(e) training of the purchaser’s personnel, at the supplier’s plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:
   (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
   (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser’s specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, 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 SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take
such remedial action as may be necessary, at the supplier’s risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser’s request for bid validity extension, as the case may be.

18. Contract amendments

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser’s prior written consent.

20. Subcontracts

20.1 The supplier shall notify the purchaser 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 supplier from any liability or obligation under the contract.

21. Delays in the supplier’s performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier’s notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier’s time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the
supplier’s point of supply is not situated at or near the place where the supplies are required, or the supplier’s services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier’s expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) if the Supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any
person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
(i) the name and address of the supplier and / or person restricted by the purchaser;
(ii) the date of commencement of the restriction
(iii) the period of restriction; and
(iv) the reasons for the restriction.

These details will be loaded in the National Treasury’s central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person’s name be endorsed on the Register for Tender Defaulters. When a person’s name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 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, the State 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 the State or the State 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
25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier 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.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier 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.

26. Termination for insolvency

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, 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 supplier to pay penalties and/or damages to the purchaser; and
(b) the aggregate liability of the supplier to the purchaser, 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.

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<th>Section</th>
<th>Description</th>
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<tbody>
<tr>
<td>29. Governing language</td>
<td>29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.</td>
</tr>
<tr>
<td>30. Applicable law</td>
<td>30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.</td>
</tr>
<tr>
<td>31. Notices</td>
<td>31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.</td>
</tr>
<tr>
<td>32. Taxes and duties</td>
<td>32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser’s country.</td>
</tr>
<tr>
<td>32. Taxes and duties</td>
<td>32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.</td>
</tr>
<tr>
<td>32. Taxes and duties</td>
<td>32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.</td>
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<tr>
<td>33. National Industrial Participation (NIP) Programme</td>
<td>33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.</td>
</tr>
<tr>
<td>34. Prohibition of Restrictive practices</td>
<td>34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, 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 (or bid rigging).</td>
</tr>
<tr>
<td>34. Prohibition of Restrictive practices</td>
<td>34.2 If a biddert(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.</td>
</tr>
</tbody>
</table>
34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.
The Director General

I/we hereby request and authorise you to pay any amounts, which may accrue to me/us to the credit of my/our account with the mentioned bank.

I/we understand that the credit transfers hereby authorised will be processed by computer through a system known as "ACB - Electronic Fund Transfer Service", and I/we understand that no additional advice of payment will be provided by my/our bank, but that the details of each payment will be printed on my/our bank statement or any accompanying voucher. (This does not apply where it is not customary for banks to furnish bank statements).

I/we understand that the Department will supply a payment advice in the normal way, and that it will indicate the date on which the funds will be made available on my/our account.

This authority may be cancelled by me/us by giving thirty days notice by prepaid registered post.

Please ensure information is validate as per required bank screens.

I/we understand that bank details provided should be exactly as per record held by the banks.

I/we understand that the Department will not held liable for any delayed payments as a result of incorrect information supplied.

### Company / Personal Details

<table>
<thead>
<tr>
<th>Registered Name</th>
<th>Trading Name</th>
<th>Tax Number</th>
<th>VAT Number</th>
<th>Title</th>
<th>Initials</th>
<th>Full Names</th>
<th>Surname</th>
<th>Persal Number</th>
</tr>
</thead>
</table>

### Address Detail

<table>
<thead>
<tr>
<th>Address (Compulsory if Supplier)</th>
<th>Physical</th>
<th>Postal</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Postal Code</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### New Detail

- [ ] New Supplier information
- [ ] Update Supplier information

#### Supplier Type:

- [ ] Individual
- [ ] Department
- [ ] Partnership
- [ ] Company
- [ ] Trust
- [ ] Other (Specify)
- [ ] CC

#### Department Number
### Supplier Account Details (To be Verified by the bank, please attach bank letter or 3 months bank statement)

(Please note that this account MUST be in the name of the supplier. No 3rd party payments allowed).

<table>
<thead>
<tr>
<th>Field</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Account Name</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Account Number</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Branch Name</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Branch Number</strong></td>
<td></td>
</tr>
</tbody>
</table>

#### Bank screen info

- **ABSA-CIF screen**
- **FNB-Hogans system on the CIS4/CUPR**
- **STD Bank-Look-up-screen**
- **Nedbank- Banking Platform under the Client Details Tab**

#### Account Type

- Cheque Account
- Savings Account
- Transmission Account
- Bond Account
- Other (Please Specify)

#### ID Number

![ID Number field]

#### Passport Number

![Passport Number field]

#### Company Registration Number

![Company Registration Number field]

#### *CC Registration

![CC Registration field]

*Please include CC/CK where applicable

### Supplier Contact Details

#### Business

<table>
<thead>
<tr>
<th>Area Code</th>
<th>Telephone Number</th>
<th>Extension</th>
</tr>
</thead>
</table>

#### Home

<table>
<thead>
<tr>
<th>Area Code</th>
<th>Telephone Number</th>
<th>Extension</th>
</tr>
</thead>
</table>

#### Fax

<table>
<thead>
<tr>
<th>Area Code</th>
<th>Telephone Number</th>
</tr>
</thead>
</table>

#### Cell

<table>
<thead>
<tr>
<th>Cell Code</th>
<th>Cell Number</th>
</tr>
</thead>
</table>

#### Email Address

![Email Address field]

#### Contact Person:

![Contact Person field]

#### Supplier Signature

![Supplier Signature field]

#### Print Name

![Print Name field]

#### Date (dd/mm/yyyy)

![Date field]

**NB: All relevant fields must be completed**