



KWAZULU-NATAL PROVINCE

HEALTH
REPUBLIC OF SOUTH AFRICA

BID DOCUMENT NUMBER: ZNB 5351/2023-H:

DESCRIPTION: ESTABLISHMENT OF A PANEL OF EXTERNAL PROFESSIONAL SERVICE PROVIDER(S) TO ASSIST KZN DEPARTMENT OF HEALTH IN CONDUCTING INTERNAL AUDIT AND RISK MANAGEMENT SERVICES FOR A PERIOD OF THREE (3) YEARS

Name of Bidder.....

Central Supplier's Database Registration Number.....

Income Tax Reference Number.....

BIDDER TO NOTE THE FOLLOWING

CLOSING DATE AND TIME:

DATE: 06 March 2023

TIME: 11: 00AM

BID RESPONSE DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)

Central Supply Chain Management Directorate

Old Boys School, 310 Jabu Ndlovu Street

Pietermaritzburg

3201

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SECTION A: INVITATION TO BID (SBD1)

PART A

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE KWAZULU-NATAL DEPARTMENT OF HEALTH					
BID NUMBER:	ZNB 5351/2023-H	CLOSING DATE:	06 March 2023	CLOSING TIME:	11: H 00 AM
DESCRIPTION	ESTABLISHMENT OF A PANEL OF EXTERNAL PROFESSIONAL SERVICE PROVIDER(S) TO ASSIST KZN DEPARTMENT OF HEALTH IN CONDUCTING INTERNAL AUDIT AND RISK MANAGEMENT SERVICES FOR A PERIOD OF THREE (3) YEARS				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).					
BID RESPONSE DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
CENTRAL SUPPLY CHAIN MANAGEMENT DIRECTORATE					
OLD BOYS SCHOOL, 310 JABU NDLOVU STREET					
PIETERMARITZBURG					
3201					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VATREGISTRATION NUMBER					
		TCS PIN:		OR	CSD No:
STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	☐ Yes ☐ No		STATUS LEVEL SWORN AFFIDAVIT		☐ Yes ☐ No
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX	☐	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)			
	☐	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)			
	☐	A REGISTERED AUDITOR			
		NAME:			
[A STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs& QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS / SERVICES / WORKS OFFERED?		☐ Yes ☐ No [IF YES ANSWER PART B:3 BELOW]
SIGNATURE OF BIDDER			DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)					
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE (ALL INCLUSIVE)		
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	KZN Department of Health		DEPARTMENT	KZN Department of Health	
CONTACT PERSON	Demand Management		CONTACT PERSON	Miss TC Mngqithi	
TELEPHONE NUMBER	033 815 8361/8386		TELEPHONE NUMBER	033 395 4004	
E-MAIL ADDRESS	SCM.DemandManagement@kznhealth.gov.za		E-MAIL ADDRESS	Thembeke.Mngqithi@kznhealth.gov.za	

PART B: TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED – (NOT TO BE RE-TYPED) OR ONLINE
- 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). CERTIFICATE OR SWORN AFFIDAVIT FOR MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. CERTIFICATE OR SWORN AFFIDAVIT FOR MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT AND ANY AMENDMENTS THERETO.

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE DEPARTMENT TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA/ JOINT VENTURES/ SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO
 - 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO
 - 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO
 - 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO
- IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS/ TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTERED AS PER 2.3 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SECTION B: SPECIAL INSTRUCTIONS AND NOTICES TO BIDDERS REGARDING THE COMPLETION OF BIDDING FORMS

PLEASE NOTE THAT THIS BID IS SUBJECT TO TREASURY REGULATIONS 16A ISSUED IN TERMS OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999, THE KWAZULU-NATAL SUPPLY CHAIN MANAGEMENT POLICY FRAMEWORK AND THE GENERAL CONDITIONS OF CONTRACT. REFER TO THE GENERAL CONDITIONS OF CONTRACT AT THE FOLLOWING WEB ADDRESS:

<http://www.treasury.gov.za/divisions/ocpo/ostb/contracts/default.aspx>

1. Unless inconsistent with or expressly indicated otherwise by the context, the singular shall include the plural and visa versa and with words importing the masculine gender shall include the feminine and the neuter.
2. Under no circumstances whatsoever may the bid forms be retyped or redrafted. Photocopies of the original bid documentation may be used, but an original signature must appear on such photocopies.
3. The bidder is advised to check the number of pages and to satisfy himself that none are missing or duplicated.
4. Bids submitted must be complete in all respects.
5. Bids shall be lodged at the address indicated not later than the closing time specified for their receipt, and in accordance with the directives in the bid documents.
6. Each bid shall be addressed in accordance with the directives in the bid documents and shall be lodged in a separate sealed envelope, with the name and address of the bidder, the bid number and closing date indicated on the envelope. The envelope shall not contain documents relating to any bid other than that shown on the envelope. If this provision is not complied with, such bids may be rejected as being invalid.
7. All bids received in sealed envelopes with the relevant bid numbers on the envelopes are kept unopened in safe custody until the closing time of the bids. Where, however, a bid is received open, it shall be sealed. If it is received without a bid number on the envelope, it shall be opened, the bid number ascertained, the envelope sealed, and the bid number written on the envelope.
8. A specific box is provided for the receipt of bids, and no bid found in any other box or elsewhere subsequent to the closing date and time of bid will be considered.
9. No bid sent through the post will be considered if it is received after the closing date and time stipulated in the bid documentation, and proof of posting will not be accepted as proof of delivery.
10. No bid submitted by telefax, telegraphic or other electronic means will be considered.
11. Bidding documents must not be included in packages containing samples. Such bids may be rejected as being invalid.
12. Any alteration made by the bidder must be initialled.
13. Use of correcting fluid is prohibited.
14. Bids will be opened in public as soon as practicable after the closing time of bid.
15. Where practical, prices are made public at the time of opening bids.
16. If it is desired to make more than one offer against any individual item, such offers should be given on a photocopy of the page in question. Clear indication thereof must be stated on the schedules attached.
17. The bidder must initial each and every page of the bid document.

SECTION C: AUTHORITY TO SIGN A BID

A. COMPANIES

If a Bidder is a company, a certified copy of the resolution by the Board of Directors, personally signed by the Chairperson of the Board, authorising the person who signs this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/or contract on behalf of the company must be submitted with this bid, that is before the closing time and date of the bid

AUTHORITY BY BOARD OF DIRECTORS

By resolution passed by the Board of Directors on.....20.....,
..... (Full name)
(whose signature appears below) has been duly authorised to sign all documents in connection with this bid on behalf of
.....(Name of Company).

IN HIS/ HER CAPACITY AS:

SIGNED ON BEHALF OF COMPANY: (PRINT NAME)

SIGNATURE OF SIGNATORY: DATE:

WITNESSES: 1 DATE:

2 DATE:

B. SOLE PROPRIETOR (ONE - PERSON BUSINESS)

I, the undersigned..... (Full name) hereby
confirm that I am the sole owner of the business trading as:
.....(Name of Business)

SIGNATURE..... DATE.....

C. PARTNERSHIP

The following particulars in respect of every partner must be furnished and signed by every partner:

FULL NAME OF PARTNER	RESIDENTIAL ADDRESS	SIGNATURE

We, the undersigned Partners in the business trading as

.....(name of partnership)

hereby authorise (full name) to sign this bid as well as any contract resulting from the bid and any other documents and correspondence in connection with this bid and/ or contract on behalf of

.....
SIGNATURE

.....
SIGNATURE

.....
SIGNATURE

.....
DATE

.....
DATE

.....
DATE

D. CLOSE CORPORATION

In the case of a Close Corporation submitting a bid, a certified copy of the Founding/ Amended Founding Statement of such corporation shall be included with the bid, together with the resolution by its members authorising a member or other official of the corporation to sign the documents on their behalf.

By resolution of members at a meeting on 20.....

....., (Full name)

whose signature appears below, has been authorised to sign all documents in connection with this bid on behalf of

.....(Name of Close Corporation)

Trading as(Trading name).

IN HIS/ HER CAPACITY AS:

SIGNED ON BEHALF OF THE CLOSE CORPORATION: (PRINT NAME)

SIGNATURE OF SIGNATORY: **DATE:**

WITNESSES: 1 **DATE:**

2 **DATE:**

E. CO-OPERATIVE

A certified copy of the Constitution of the co-operative must be included with the bid, together with the resolution by its members authoring a member or other official of the co-operative to sign the bid documents on their behalf.

By resolution of members at a meeting on 20.....

..... (full name) whose signature

appears below, has been authorised to sign all documents in connection with this bid on behalf of

.....(Name of cooperative)

SIGNATURE OF AUTHORISED REPRESENTATIVE/SIGNATORY:

.....

IN HIS/ HER CAPACITY AS:

DATE:

SIGNED ON BEHALF OF CO-OPERATIVE:

FULL NAME IN BLOCK LETTERS:

WITNESSES: 1

DATE:

2

DATE:

F. JOINT VENTURE

If a bidder is a Joint Venture, a certified copy of the resolution/ agreement passed/ reached, signed by the duly authorised representatives of the entities, authorising the representatives who sign this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and /or contract on behalf of the Joint Venture must be submitted with this bid, before the closing time and date of the bid.

AUTHORITY TO SIGN ON BEHALF OF THE JOINT VENTURE

By resolution/agreement passed/reached by the Joint Venture partners on.....20.....

..... (Full name)

..... (Full name)

..... (Full name)

..... (Full name)

whose signatures appear below have been duly authorised to sign all documents in connection with this bid on behalf of:

..... (Name of Joint Venture)

IN HIS/ HER CAPACITY AS:

SIGNED ON BEHALF OF (ENTITY NAME):

SIGNATURE: **DATE:**

IN HIS/ HER CAPACITY AS:

SIGNED ON BEHALF OF (ENTITY NAME):

SIGNATURE: **DATE:**

IN HIS/ HER CAPACITY AS:

SIGNED ON BEHALF OF (ENTITY NAME):

SIGNATURE: DATE:

IN HIS/ HER CAPACITY AS:

SIGNED ON BEHALF OF (ENTITY NAME):

SIGNATURE: DATE:

IN HIS/ HER CAPACITY AS:

G. CONSORTIUM

If a bidder is a Consortium, a certified copy of the resolution/ agreement passed/ reached, signed by the duly authorised representatives of concerned entities, authorising the representatives who sign this bid to do so, as well as to sign any contract resulting from this bid and any other documents and correspondence in connection with this bid and/ or contract on behalf of the Consortium must be submitted with this bid, before the closing time and date of the bid.

AUTHORITY TO SIGN ON BEHALF OF THE CONSORTIUM

By resolution/agreement passed/reached by the Consortium on.....20.....
..... (full name)

whose signature appears below have been duly authorised to sign all documents in connection
with this bid on behalf of:

..... (Name of Consortium)

IN HIS/ HER CAPACITY AS:

SIGNATURE: DATE:

SECTION D: BIDDER'S DISCLOSURE (SBD 4)

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? YES/NO

2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

FULL NAME	IDENTITY NUMBER	NAME OF STATE INSTITUTION

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? YES/NO

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?
YES/NO

2.3.1 If so, furnish particulars:

.....
.....

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 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 consortium will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 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.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 AND 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

SECTION E: THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME (SBD 5)

INTRODUCTION

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on the 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchases / lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

1 PILLARS OF THE PROGRAMME

- 1.1 The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million will have a NIP obligation. This threshold of US\$ 10 million can be reached as follows:
 - (a) Any single contract with imported content exceeding US\$10 million.
or
 - (b) Multiple contracts for the same goods, works or services each with imported content exceeding US\$3 million awarded to one seller over a 2 year period which in total exceeds US\$10 million.
or
 - (c) A contract with a renewable option clause, where should the option be exercised the total value of the imported content will exceed US\$10 million.
or
 - (d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US\$ 3 million worth of goods, works or services to the same government institution, which in total over a two (2) year period exceeds US\$10 million.
- 1.2 The NIP obligation applicable to suppliers in respect of sub-paragraphs 1.1 (a) to 1.1 (c) above will amount to 30 % of the imported content whilst suppliers in respect of paragraph 1.1 (d) shall incur 30% of the total NIP obligation on a pro-rata basis.
- 1.3 A period of seven years has been identified as the time frame within which to discharge the obligation.

2 REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY

- 2.1 In order to ensure effective implementation of the programme, successful tenderers (contractors) are required to, immediately after the award of a contract that is in excess of R10 million (ten million Rands), submit details of such a contract to the DTI for reporting purposes.
- 2.2 The purpose for reporting details of contracts in excess of the amount of R10 million (ten million Rands) is to cater for multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as provided for in paragraphs 1.1.(b) to 1.1. (d) above.

3 TENDER SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF TENDERERS AND SUCCESSFUL TENDERERS (CONTRACTORS)

Tenderers are required to sign and submit this Standard Tendering Document (SBD 5) together with the Tender on the closing date and time.

3.2 In order to accommodate multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub- paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful Tenderers (contractors) are required, immediately after being officially notified about any successful Tender with a value in excess of R10 million (ten million Rands), to contact and furnish the DTI with the following information:

- Tender / contract number.
- Description of the goods, works or services.
- Date on which the contract was accepted.
- Name, address and contact details of the government institution.
- Value of the contract.
- Imported content of the contract, if possible.

3.3 The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X 84, Pretoria, 0001 for the attention of Mr. Elias Malapane within five (5) working days after award of the contract. Mr. Malapane may be contacted on telephone (012) 394 1401, facsimile (012) 394 2401 or e-mail at Elias@thedti.gov.za for further details about the programme.

4 PROCESS TO SATISFY THE NIP OBLIGATION

4.1 Once the successful Tenderer (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:

- a. the contractor and the DTI will determine the NIP obligation;
- b. the contractor and the DTI will sign the NIP obligation agreement;
- c. the contractor will submit a performance guarantee to the DTI;
- d. the contractor will submit a business concept for consideration and approval by the DTI;
- e. upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
- f. the contractor will implement the business plans; and
- g. the contractor will submit bi-annual progress reports on approved plans to the DTI.

4.2 The NIP obligation agreement is between the DTI and the successful Tenderer (contractor) and, therefore, does not involve the purchasing institution.

Tender number:	
Name of tenderer: _____	Closing date: 06 March 2023
Postal address: _____ _____	
Signature: _____	Name (in print): _____
Date: _____	

SECTION F: DECLARATION THAT INFORMATION ON CENTRAL SUPPLIER DATABASE IS CORRECT AND UP TO DATE (To be completed by bidder)

This is to certify that I

.....
(name of bidder/authorized representative)

who represents

.....
(state name of bidder)

am aware of the contents of the Central Supplier Database with respect to the bidder's details and registration information, and that the said information is correct and up to date as on the date of submitting this bid, and I am aware that incorrect or outdated information may be a cause for disqualification of this bid from the bidding process, and/ or possible cancellation of the contract that may be awarded on the basis of this bid.

.....
SIGNATURE OF BIDDER OR AUTHORISED REPRESENTATIVE

DATE:

SECTION G: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 **To be completed by the organ of state**

(delete whichever is not applicable for this tender).

- a. The applicable preference point system for this tender is the **90/10** preference point system.
- b. The applicable preference point system for this tender is the **80/20** preference point system.
- c. Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80 OR 90
SPECIFIC GOALS	20 OR 10
Total points for Price and SPECIFIC GOALS	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time

subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) & \text{or} & P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) \end{array}$$

Where

- P_s = Points scored for price of tender under consideration
- P_t = Price of tender under consideration
- P_{min} = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) & \text{or} & P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) \end{array}$$

Where

Ps	=	Points scored for price of tender under consideration
Pt	=	Price of tender under consideration
Pmax	=	Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
In terms of Departmental Preferential Procurement Regulation Policy 2023, section 8.1.2.1. for Historically Disadvantaged Individuals. The Department allocate full 20 or 10 points to companies who are at least 51% Owned by Black People	10 points	20 Points		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering 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) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

SECTION H: RECORD OF AMENDMENTS TO BID DOCUMENTS

I / We confirm that the following communications amending the bid documents that I / we received from KwaZulu-Natal Department of Health or their representative before the closing date for submission of bids have been taken into account in this bid.

ADDENDUM NO.	DATE	TITLE OR DETAILS

SIGNATURE: DATE:
(of person authorized to sign on behalf of the Bidder)

SECTION I: GENERAL CONDITIONS OF CONTRACT

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 RSA.
 - 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 contracts 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 may be due to him.

- 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.
- 28.1 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) 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.
- 28. Limitation of liability**

29. Governing language	229.1 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.
30. Applicable law	30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	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 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
32. Taxes and duties	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. 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. 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.
33. National Industrial Participation (NIP) Programme	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.
34 Prohibition of Restrictive practices	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). 34.2 If a bidder(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. 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.

❖ I have read, understand and accept the above stated General Conditions of the Contract which are binding upon me.

.....
Signature

.....
Date

.....
Name of Bidder

SECTION J: SPECIAL CONDITIONS OF CONTRACT (SCC)

Note: The special conditions of contract referred as (SCC) are supplementary to that of the General Conditions of Contract (GCC). Where, however, the special conditions of contract are in conflict with the General Conditions of Contract, the special conditions of contract (SCC) shall prevail.

SECTION 1: ADDITIONAL DEFINITIONS

In addition to the definitions contained in paragraph 1 of the GCC, the following terms shall be interpreted as indicated:

- 1.1. **“Accounting Officer”**: means a person described in Section 36 of the Public Finance Management Act, Act No. 1 of 1999 (As amended by Act 29 of 1999).
- 1.2. **“Contract Duration”**: means the period between the commencement and termination of the contract.
- 1.3. **“Confidential Information”**: means but is not limited to contents of the contract, or any provision thereof, or any specification, plan, know-how, drawing, pattern, sample, or information furnished by or on behalf of the Department in connection therewith, to any person other than a person employed by contractor or service provider in the performance of the contract.
- 1.4. **“Department”**: means the KwaZulu-Natal Department of Health.
- 1.5. **“Head of Department”**: means the Head of Department for KwaZulu-Natal Department of Health as defined in Schedule 2 Column 1 and 2 of the Public Service Act 1994 (Proclamation 103 of 3 June 1994, as amended).
- 1.6. **“Health Facilities”**: means Head Office, District Offices, Hospitals, Community Health Centres, Specialized centres and Clinics under the auspices of the Department of Health in the Province.
- 1.7. **“ISO Standards”**: means standards recognized by International Standard Organisation
- 1.8. **“Parties”**: means the KwaZulu-Natal Department of Health and Contractor or Service provider
- 1.9. **“Province”**: means the Province of KwaZulu-Natal.
- 1.10. **“ROE”**: means the Rate of Exchange.
- 1.11. **“Service”**: means the consultancy services to be rendered by a service provider for a duration in terms of the contract.
- 1.12. **“SABS”**: means the South African Bureau of Standards.
- 1.13. **“SANS”**: means the South African National Standards.
- 1.14. **“Vendor”**: means Contracted Supplier or Service Provider

SECTION 2: INTERPRETATIONS

In amplification of the provisions of paragraph 2 of the GCC, unless inconsistent with the context, an expression which denotes:

- 2.1 Any gender includes the other genders.
- 2.2 A natural person includes a juristic person and vice versa.
- 2.3 The singular includes the plural and vice versa.
- 2.4 When any number of days is prescribed in this Contract, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or proclaimed public holiday in the Republic of South Africa, in which event the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday.
- 2.5 Figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail.
- 2.6 Any reference in this contract to “goods” includes works and/or services.
- 2.7 The written and signed contract represents the final agreement between the parties and it super cedes any prior oral agreements or discussions of the Contract.
- 2.8 All annexures and appendices shall form part of the contract.
- 2.9 The headings used throughout the Contract do not have any special significance save to ensure the easy reading of the contract.
- 2.10 Words and phrases defined in this Contract shall bear the meaning assigned to them throughout this Contract.
- 2.11 Words and phrases used in this Contract which are defined or used in any statute or regulation which applies to the subject matter, professional person.
- 2.12 The bid is issued in accordance with Section 217 of the Constitution, The Public Finance Management Act, Treasury Regulations 16A and National Treasury regulations and guidelines.

SECTION 3: SPECIAL CONDITIONS OF CONTRACT (SCC)

3.1. ACCEPTANCE OF A BID

- 3.1.1 This Bid will be evaluated and adjudicated in terms of Kwazulu Natal Department of Health SCM Policy and Delegations. The Department of Health Bid Adjudication Committee (DBAC) is under no obligation to accept any bid.
- 3.1.2 The financial standing of a bidder and its ability to render services may be examined before the bid is considered for acceptance.

3.2. CERTIFICATE OF COMPLIANCE

- 3.2.1 If the bidder submits offers for items that make reference to South African National Standards (SANS) or South African Bureau of Standards (SABS) or International Organisation for Standardisation (ISO) specifications, a Certificate of Compliance must be submitted with the bid document at the time of closing of the bid. SABS/SANS can be contacted for testing and conformity services at Tel: 031 203 2900/ Fax: 031 203 2907. SANS, SABS AND CKS specifications will be for the account of the prospective bidder. Failure to submit the certificate, where applicable, will result in the bid being disqualified. The Department reserves its rights to contact SABS/SANS/CKS for testing and conformity services.
- 3.2.2 Prior to an award of the bid being made and/or during the evaluation process, the Department of Health reserves the right to conduct inspections of the premises of the most acceptable bidder. Therefore, premises of the bidder shall be open, at reasonable hours, for inspection by a representative of the Department or organization acting on its behalf. Any specification/s and conformity testing will be for the account of the prospective bidder.

3.3. COMPLIANCE WITH SPECIFICATION

- 3.3.1 Offers must comply strictly with the specification. Offers exceeding specification requirements will be deemed to comply with the specification.
- 3.3.2 The quality of services must not be less than what is specified.

3.4 EQUAL BIDS

- 3.4.1 If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for Specific Goals.
- 3.4.2 If functionality is part of the evaluation process and two or more tenderers score equal total points and equal preference points, the contract must be awarded to the tenderer that scored the highest points for functionality.
- 3.4.3 If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

3.5 LATE BIDS

- 3.5.1 Bids are permissible to be submitted prior to closing date and time this is to avoid unfortunate or unplanned circumstances that could prevent the bidder from arriving on time during the closing date. If the bidder fail to arrive on time the department will not be held liable, to accept late bids.

3.5.2 Bids are late if they are received at the address indicated in the bid documents after the closing date and time.

3.6 MORE THAN ONE OFFER/ COUNTER OFFERS

3.6.1 Should the bidder submit more than one offer, where applicable, against any individual item, such offer/s must be detailed in the Schedule of Additional Offer/s. The Department reserves its rights in and to the consideration of any additional offer/s subject to compliance with specification and the bidding conditions. Bidders' attention is drawn to the fact that counter offers with regard to any of the abovementioned Special Conditions of Contract may invalidate such bids.

3.7 ONLY ONE OFFER RECEIVED

3.7.1 Where only 1 offer is received, the Department of Health will determine whether the price is fair and reasonable. Proof of reasonableness will be determined as follows:

- (i) Comparison with prices, after discounts, to the bidder's other normal clients and the relative discount that the State enjoys;
- (ii) Where this is not possible, profit before tax based on a full statement of relevant costs; and
- (iii) In all cases, comparison with previous bid prices where these are available.

Note: For this type of a service the price quotation or bid will be done after the panel has been awarded and established.

3.8 AWARD OF BID (S)

3.8.1 The Department of Health Bid Adjudication Committee reserves the right to award the bid to one or more than one bidder, provided that the respective bidders' offers comply with the specification and meets all the conditions attached to the bid. Bidders must ensure that they quote as per the stipulated price page failing which they will be disqualified. **Note for panels this will be applicable during price quotation phase.**

3.8.2 Notification of the intention to award the bid shall be in the same media that the bid was advertised.

3.8.3 In terms of Provincial Treasury Practice Note Number: SCM-07 of 2006, Section 5: Appeal Procedure, 5.1 "A bidder aggrieved by a decision of the Departmental Bid Adjudication Committee or a delegate of an Accounting Officer may appeal to the Bid Appeals Tribunal in the prescribed manner" The bidder must, within five working days of the publication of the notice of intention to award, in the Government Tender Bulletin, deliver a written notification of an intention to appeal to Provincial Treasury, Secretariat, Bid Appeals Tribunal, Tel no: 033-897 4200. After all appeals, should they be lodged, have been dealt with by the Bid Appeals Tribunal, the successful bidder (s) shall be notified in writing by a duly authorised official of the Department of Health, Central Supply Chain Management Unit. A formal contract will then be entered into by parties, using service level agreement or Standard Bidding Document for formal contracts.

3.9 REGISTRATION ON THE CENTRAL SUPPLIER DATABASE (CSD)

3.9.1 A bidder submitting an offer must be registered on the Central Supplier Database. A bidder who has submitted an offer and is not registered on the Central Supplier Database will not be considered.

3.9.2 Each party to a joint venture/ consortium must be registered on the Central Suppliers Database at the time of submitting the bid.

3.10 EMPLOYEES TRADING WITH THE ORGANS OF THE STATE

- 3.10.1 The Public Service Act 103 of 1994 indicates in section 30(1) that “No employee shall perform or engage himself or herself to perform remunerative work outside his or her employment in the relevant department, except with the written permission of the executive authority of the department.”
- 3.10.2 Furthermore, in terms of the Public Service Regulations paragraph 13(c), “An employee shall not conduct business with any organ of state or be a director of a public or private company conducting business with an organ of state, unless such employee is in an official capacity a director of a company listed in schedule 2 and 3 of the Public Finance Management Act”
- 3.10.3 If a bidder is found to be employed by the state, through the verification of Central Supplier Database (CSD) Report, DPSA, the bid will be immediately disqualified. If it is discovered during other Computer Assisted Audit Technics, that the bidder is employed by the state, the award or contract will be immediately terminated.

3.11 TRUST, CONSORTIUM OR JOINT VENTURE

- 3.11.1 To ensure compliance with SCM prescripts, a Trust, Consortium or Joint Venture must submit a consolidated Status Level Verification Certificate for every separate bid.
- 3.11.2 A separate B-BBEE Certificate or Sworn Affidavit must be submitted by each company participating in the Trust, Consortium or Joint Venture.
- 3.11.3 The Joint Venture agreement must clearly specify the percentage of the contract to be undertaken by each company participating therein.
- 3.11.4 The Joint Venture/Consortium must submit a formal agreement that outlines the roles and responsibilities of each member of the Joint Venture/ Consortium, nomination of an authorised person to represent the Joint Venture or Consortium in all matters relating to this bid and the details of the bank account for payments to be affected.
- 3.11.5 No award will be made to a Trust/ Joint Venture/ Consortium that is not tax compliant at the finalisation of the award.
- 3.11.6 For verification purposes, each party must submit separate proof of TCS/ PIN / CSD number.

3.12 VALIDITY PERIOD OF BID AND EXTENSION THEREOF

- 3.12.1 The validity (binding) period for the bid will be **180 days** from close of bid. However, circumstances may arise whereby the department may request bidders to extend the validity (binding) period. Should this occur, the department will request bidders to extend the validity (binding) period under the same terms and conditions as originally offered for by bidders? This request will be done before the expiry of the original validity (binding) period.

3.13 CHANGE OF ADDRESS

- 3.13.1 Bidders must advise the Department of Health’s Central Supply Chain Management Unit, Contract Section, should their ownership and/or address (domicilium citandi et executandi) details change from the time of bidding to the expiry of the contract.

3.14 INVOICES AND PAYMENTS

- 3.14.1 All invoices must be submitted in the original format.
- 3.14.2 All invoices submitted by the Contractor must contain the word "INVOICE" for non-VAT vendors or "TAX INVOICE" for VAT vendors only. VAT number must be reflected for VAT vendors.
- 3.14.3 A tax invoice shall be in the currency of the republic of South Africa and shall contain the following particulars:
- (a) The name, address and registration number of the supplier;
 - (b) The name and address of the recipient;
 - (c) An individual serialized number and the date upon which the tax invoice is issued;
 - (d) A description of the goods or services supplied;
 - (e) The quantity or volume of the goods or services supplied
 - (f) The value of the supply, the amount of tax charged and the consideration for the supply; or
 - (g) Where the amount of tax charged is calculated by applying the tax fraction to the consideration, the consideration for the supply and either the amount of the tax charged, or a statement that it includes a charge in respect of the tax and the rate at which the tax was charged.
- 3.14.4 A Contractor shall be paid by the institution concerned, in accordance with supplies delivered and services rendered. The goods must be accepted and signed off by the relevant delegated official.
- 3.14.5 Should a Contractor indicate a special discount on his/her account provided payment is made within a certain time, every effort shall be made to take advantage of such discount. Where discounts or rebates received by the Department, the Contractor to provide credit note.
- 3.14.6 Any query concerning the non-payment of accounts must be directed to the institution concerned. The following protocol will apply if accounts are queried:
- (i) Contact must be made with the officer-in-charge of Logistics and Accounts Payable;
 - (ii) If there is no response from Logistics and Accounts Payable, the Director Logistics and the Director: Expenditure Management of the institution must be contacted.
 - (iii) Failing all of the above, the Contractor must contact the Chief Director: Accounting Services supplying the following details:
 - a) Name/s of person/s contacted at the Institution and dates; and
 - b) Details of outstanding account.
 - c) The Chief Director: Accounting Services will then take the appropriate action.
- 3.14.6 The Institutions shall not be responsible for payment of any statutory increases in tariffs or imports or any fluctuations in foreign exchange rate for any item required Contractor, to realise its obligations in terms of this Contract. The rate of exchange, as agreed upon in this Contract is subject to review if stipulated within this contract and as agreed consented by both Parties.

3.15 VALUE ADDED TAX (VAT)

- 3.15.1 All bid prices must be inclusive of all applicable taxes, even if the bidder is not a vat vendor.
- 3.15.2 Bidders who make taxable supplies in excess of R1 million in any 12-month consecutive period are liable for compulsory VAT registration, but an entity may also choose to register voluntarily provided that the minimum threshold of R50 000 (as of 1 March 2010) has been exceeded in the past 12 month period. Bidders who meet the above requirement must register as VAT vendors, if successful, within one month of award of bid.
- 3.15.3 **VAT will not be included** after an award of the bid or during contract management period.

3.16 ENTERING OF HOSPITAL/CLINIC STORES

- 3.16.1 No representative from a company shall be permitted to enter the hospital/clinic premises, buildings or containers where stores are kept unless he/she is accompanied by the responsible official in charge of stores. Before entering the hospital/clinic premises, buildings or containers where stores are kept, the company representative must in writing, motivate why entry is necessary and written authority must be obtained to enter from the Head of the Institution or delegated official.

3.17 DEPARTMENTAL PROPERTY IN POSSESSION OF A CONTRACTOR

- 3.17.1 The Department's property supplied to a Contractor for the execution of a contract remains the property of the Department and shall at all times be available for inspection by the Department or its representatives. Any such property in the possession of the Contractor on the completion of the contract shall, at the Contractor's expense, be returned to the Department forthwith.
- 3.17.2 The Contractor shall be responsible at all times for any loss or damages to the Department's property in his possession and, if required, he shall furnish such security for the payment of any such loss or damages as the Department may require.

3.18 IRREGULARITIES

- 3.18.1 Companies are encouraged to advise the Department of Health timeously of any possible irregularities which might come to their notice in connection with this or other contracts.

3.19 UNSATISFACTORY PERFORMANCE

In amplification of paragraph 21; 22 and 23 of the GCC, unsatisfactory performance occurs when performance is not in accordance with the contract conditions.

- (i). The institution shall warn the Contractor by registered/certified mail or email that action will be taken in accordance with the contract conditions unless the Contractor complies with the contract conditions and delivers satisfactory supplies or services within a specified reasonable time (7 days minimum). If the Contractor does not perform satisfactorily despite the warning the institution will:
 - (a) Take necessary and appropriate action such as termination of contract in terms of its delegated powers.
- (ii) When correspondence is addressed to the Contractor, reference will be made to the contract number/item number/s and an explanation of the complaint.

3.20 RESTRICTION OF BIDDING

The Accounting Officer or his/her delegate must:

- a) Notify the supplier and any other person of the intention to restrict it doing business with Department by registered mail or email. The letter of restriction must provide for:
 - I. The grounds for restriction;
 - II. The period of restriction which must not exceed 10 years;
 - III. A period of 14 calendar days for the supplier to provide reasons why the restriction should not be imposed.
- b) The Accounting Officer his/her delegate:
 - I. May regard the intended penalty as not objected to and may impose such penalty on the supplier, should the supplier fail to respond within the 14 days; and
 - II. Must assess the reasons provided by the supplier and take the final decision.
- c) If the penalty is imposed, the Accounting Officer must inform National Treasury of the restriction within 7 calendar days and must furnish the following information:
 - I. The name and address of the entity/ person to be restricted;
 - II. The identity number of individuals and the registration number of the entity; and
 - III. The period of restriction.
- d) National Treasury will load the details on the Database of Prohibited Vendors.
- e) The restriction period applicable will be based on the value of award/s made to the supplier over a financial year.

3.21 CONTRACTOR'S LIABILITY

- 3.21.1 In the event of the contract being cancelled by the Department in the exercise of its rights in terms of these conditions, the Contractor shall be liable to pay to the Department any losses sustained and/or additional costs or expenditure incurred as a result of such cancellation, and the Department shall have the right to recover such losses, damages or additional costs by means of set-off from moneys due or which may become due in terms of the contract or any other contract or from guarantee provided for the due fulfilment of the contract and, until

such time as the amount of such losses, damages or additional costs have been determined, to retain such moneys or guarantee or any deposit as security for any loss which the Department may suffer or may have suffered.

- 3.21.2 The Contractor may be held responsible for any consequential damages and loss sustained which may be caused by any defect, latent or otherwise, in supply or service rendered or if the goods or service as a result of such defect, latent or otherwise, does not conform to any condition or requirement of the contract.

3.22 RIGHTS TO PROCURE OUTSIDE THE CONTRACT

- 3.22.1 If contracted service become available from National Treasury transversal contract, the Department reserve a right to cancel the contract with a winning bidder by giving a minimum of thirty (30) days' notice, if it is in the advantage and interest of the department to participate on such contract.

3.23 PATENTS

- 3.23.1 The Contractor shall pay all royalties and expenses and be liable for all claims in respect of the use of patent rights, trademarks or other protected rights, and hereby indemnifies the Department against any claims arising there from.

3.24 WAIVER

- 3.24.1 The granting by any party of any indulgence or postponement shall not be a waiver of its rights arising from this contract to demand full and specific performance of the contract.
- 3.24.2 No favour, delay or relaxation or indulgence on the part of any party in exercising any power or right conferred on each party in terms of this contract shall operate as a waiver of such power or right nor preclude any other or further exercises thereof or the exercise of any other power or right under this contract.

3.25 BREACH

- 3.25.1 Any termination notice referred to in GCC paragraph 23.1 shall be preceded by written notice requiring the defaulting party to remedy a breach of this contract within 14 days of the date of receipt of the notice.
- 3.25.2 If the defaulting party fails to remedy the breach within the 14 days, the aggrieved party shall be entitled without notice, in addition to any other remedy available to them at law or under this contract:
- 3.25.3 To claim specific performance of any obligation whether or not the due date for performance has arrived; or
- 3.25.4 To terminate this contract in accordance with paragraph 23.1 of the GCC, against the defaulting party, in either event without prejudice to the aggrieved party's rights to claim damages.
- 3.25.5 The Contractor shall immediately advise the Department of the same, upon which the Department shall, in its sole and absolute discretion, decide whether to proceed with this contract or to terminate forthwith. Failure by the Contractor to advise the Department of a conflict of interest shall amount to a material breach of this contract.
- 3.25.6 A Party shall be deemed to be in breach of this Contract should the Party fail to comply with any material provisions of this Contract.

- 3.25.7 The aggrieved Party shall be obliged to first attempt to settle the matter by way of consultation with the defaulting Party. If the consultation fails, then the aggrieved Party shall promptly give the defaulting Party fourteen (14) days written notice to remedy the breach. If the defaulting Party fails to comply with such notice, the aggrieved Party may, without prejudice to any other's right at law:
- 3.25.8 Cancel this Contract in the event the defaulting Party committed a material breach.
- 3.25.9 Claim specific performance by the defaulting Party if such is a competent remedy in the circumstance.
- 3.25.10 Claim damages suffered, as limited under this Contract.

3.26 PREFERENCES

- 3.26.1 Should the Contractor apply for preferences in the submission of his bid, and it is found at a later stage that these applications were incorrect or made under false pretences, the Department may, at its own right:
- i. Recover from the Contractor all costs, losses or damages incurred or sustained by the Department as a result of the award of the Contract; and/or
 - ii. Cancel the contract and claim any damages which the Department may suffer by having to make less favourable arrangements after such cancellation.
 - iii. The Department may impose penalties, however, only if provision therefore is made in the Special Conditions of Contract and Bid.

3.27 SEVERABILITY

- 3.27.1 The finding of any invalidity to any provision of the contract shall not render the whole contract a nullity. A court of law or arbitrator may sever the invalid provision and the remainder of the contract shall remain enforceable.

3.28 EXTENSION OF CONTRACT

- 3.28.1 This contract may be extended on a month-to-month basis for a period not exceeding six (6) months, provided that the procedures for the treatment of irregular expenditure are complied with in terms of the National Treasury regulations and the Departmental SCM Policy and delegations.
- 3.28.2 Further extension of the contract, authority will be granted by Head of Department: Health, subject to the provisions of National Treasury regulations and instruction notes.

3.29 CESSION OF CONTRACT

- 3.29.1 The Contract will be personal to the winning bidder, who shall not sub-let, assign, cede or make over the Contract or any part thereof, or any share of interest therein, to any other person without the written consent of the Department, and on such conditions as it may approve.
- 3.29.2 This sub-clause shall not apply to sub-contracts given to regular suppliers of winning bidder for materials and minor components relating to the services supplied. The Department reserves the right to require winning bidder to submit, for noting, the names of such sub-contractors to ascertain their registration on the Central Suppliers Database and they must be legal entities.

3.30 CONTRACT AMENDMENTS / VARIATIONS

- 3.30.1 In amplification of paragraph 18 of the GCC, any amendments/variations, of the Contract shall come into effect in terms of the conditions contained in on “**Contract Amendments/Variations Register**”. This register must be signed by the duly authorised signatories of winning bidder and the Head of Department: Health or his/her delegated official.
- 3.30.2 Contracted winning bidder shall not, in performing its obligation, vary from the terms and conditions stated in this Contract whether by way of addition thereto or by way of omission therefrom, without the prior written consent from the Department (Accounting Officer/delegated official), and no claim on the part of winning bidder for any extra payments on the grounds of any alterations or extra work will be entertained.
- 3.30.3 If, after the commencement of the contract, the cost or duration of the services is altered as a result of changes in, or in additions to, any statute, regulation or by-law, or the requirements of any authority having jurisdiction over any matter in respect of the contract, then the contract price and time for completion shall be adjusted in order to reflect the impact of those changes, provided that, within 14 days of first having become aware of the change, winning bidder shall furnish the Department with a detailed justification for the adjustment to the contract price.

3.31 INTELLECTUAL PROPERTY

- 3.31.1 In amplification of paragraph 6 of the GCC, the intellectual property discovered or created as the direct or indirect result of this contract shall remain the property of the Department.

3.32 INSOLVENCY

- 3.32.1 In the event to winning bidder institutes insolvency proceedings or has insolvency Proceedings involuntarily instituted against it, the Department may terminate this Contract immediately.
- 3.32.2 In the event of assets and monies issued to winning bidder in terms of this Contract, such assets and monies shall be excluded from the estate of winning bidder and shall be returned immediately upon clause 3.32.1 coming into effect.

3.33 DISPUTE RESOLUTION

- 3.33.1 If any dispute arises between the Department and Contractor, in connection with the Specification and deliverables, either party may give the other notice in writing of the existence of such dispute, and the same shall thereupon be referred to arbitration in South Africa by a person mutually agreed upon by both parties. The submission shall be deemed to be a submission to arbitration within the meaning of the terms of the arbitration laws in force in the Republic of South Africa.

3.34 DOMICILLIA CITANDI ET EXECUTANDI

For the purpose of this contract, the parties choose their respective domicillia citandi et executandi as follows :

The Department Physical and Postal Address:

Department Name	The KwaZulu- Natal Department of Health
Physical Address	Natalia Building, 330 Langalibalele Street, Pietermaritzburg, 3201
Postal Address:	Private Bag X9051, Pietermaritzburg, 3200
Telephone numbers	033 – 395 2111
Telefax:	Nil

The Contractor or Bidder Physical and Postal Address:

Bidder/ Contractor Name	
Physical Address	
Postal Address:	
Telephone numbers	
Telefax:	
Email Address	

- 3.34.1 The parties hereby choose domicilium citandi et executandi for all notices and processes to be given and served in pursuance hereof at their respective addresses given on the first page of this Contract. Any notice of any change in such address shall be given in writing by the parties concerned and delivered by hand or sent by registered mail to the other party, upon notification of which address so notified shall serve as the new citandi et executandi.
- 3.34.2 A party may at any time change that party's domicilium by notice in writing, provided that the new domicilium is in the Republic of South Africa and consists of, or includes, a physical address at which the process can be served.
- 3.34.3 Any notice to a party:
- 3.34.4 Sent by prepaid registered post in a correctly addressed envelope, to it, shall be deemed to have been received on the 7th (seventh) day after posting unless the contrary is proved);
- 3.34.5 Delivered by hand to a responsible person during ordinary business hours at the physical address chosen as its domicilium, shall be deemed to have been received on the day of delivery; or
- 3.34.6 Sent by telefax or email to its chosen telefax or email number, shall be deemed to have been received on the date of despatch (unless the contrary is proved).

3.35 QUOTATION PROCESS

- 3.35.1 Once panel has been established, the rotation system for companies will apply. The rotation system will prioritise companies who are 51% owned by Black People, Women, Youth and Persons with Disabilities, in compliance with the Preferential Procurement Policy Framework Act..
- 3.35.2 The quotation procedure will be applied for a minimum of five (5) working days, as and when professional services will be required, the requirement is not advertised in the Government Tender Bulletin or eTender as this would have already conducted during establishment of the Panel. Only negotiated rates will apply.

3.36 PERIOD OF CONTRACT

- 3.36.1 The period of this contract is three (3) Years.

SECTION K: TERMS OF REFERENCE/ SPECIFICATIONS

APPOINTMENT OF EXTERNAL PROFESSIONAL SERVICE PROVIDER(S) TO ASSIST IN CONDUCTING INTERNAL AUDIT AND RISK MANAGEMENT SERVICES FOR THE KZN DEPARTMENT OF HEALTH

1. BACKGROUND

- 1.1 In terms of Section 38(1)(a)(ii) of the Public Finance Management Act No.1 of 1999, the Head of Department is required to establish a system of internal audit under the direction of the audit committee and operating in accordance with regulations and instructions prescribed in terms of Sections 76 and 77 of the same Act.
- 1.2 The Department participated in the shared Internal Audit Activity and Audit and Risk Committee within the KwaZulu-Natal Provincial Treasury. The Department originally participated in the shared service model in terms of the repealed KwaZulu-Natal Internal Audit Act.
- 1.3 The KwaZulu-Natal Cabinet took a resolution (Provincial Executive Council Resolution 3(e) of 4 December 2019) for the implementation of in-house Internal Audit Activities for big Departments in the Province of KwaZulu-Natal. The KwaZulu-Natal Department of Health is one of the big departments in the province, hence the Department is establishing its in-house Internal Audit Activity.
- 1.4 The KwaZulu-Natal Department of Health recognizes that the process to establish the in-house Internal Audit Activity will take some time to fully resource and capacitate the in-house unit to an activity that is able to independently render the internal audit services for the Department, and is therefore seeking, in the interim, for a panel of external service providers to undertake the internal audit function for a period of three (3) years.
- 1.5 The Department seeks to appoint a panel of service providers with expertise and service offerings in internal audit and risk management services. The assistance is frequently required at short notice, and it is therefore the intention of the KZN Department of Health to evaluate and appoint experienced and competent service providers into a panel to provide internal audit and risk management services that are outlined in the scope paragraph below.

2. OBJECTIVES

- 2.1 The main objective of the KwaZulu-Natal Department of Health: Internal Audit and Risk Management Function is to add value to the department through:
 - 2.1.1 An enhanced internal audit and risk management activities;
 - 2.1.2 Value added internal audit and risk management technical support services;
 - 2.1.3 Optimized combined assurance; and
 - 2.1.4 Enhanced governance related support services.

3. SCOPE OF WORK

- 3.1 The services of the appointed panel may be required in the following categories of internal audit and risk management services, starting from the 2023/24 to 2025/26 financial year.

Category	Category of Services	Description of Services required
A	Risk Based Audits	Conduct risk audits and provide training and development.
B	Legislated Audits	Conduct PFMA, and other Governance compliance reviews and provide training and development.
C	Financial Audits;	Financial statement reviews, review of internal financial controls.
D	Follow-up Audits on issues raised by the Auditor-General and Internal Audit;	Follow-up and validate the implementation of management committed action plans.
E	Information and Communication Technology Audits;	Conduct Information Technology audits, provide support on computer-assisted audit techniques (CAATs) and provide training and development.
F	Performance Audits;	Conduct performance audits and provide training and development.
G	Drive the Combined Assurance Model	Analyse the risk profile and propose combined assurance approach. Facilitate for combined assurance reporting.
E	Control Self-Assessments and Risk Management Services	Assist with the review and development of risk management policies and frameworks; facilitation of risk assessments; assist with the identification of risks; assist with the risk management and governance-related training/workshops; and assist with the provision of risk management information systems.
F	Consulting and Special Projects, e.g.	Assist with: - Environmental Audits; - Infrastructure Related Audits; - Review and development of various governance related support services (e.g., Business Continuity Plans (BCP) reviews, IT governance frameworks, etc.); and - Other Audit projects that may require special skills.

3.2 The appointed service providers are expected to maintain full support services which include the following:

- 3.2.1 Management of resources;
- 3.2.2 Project management (from planning to output);
- 3.2.3 Guarantee of quality in the services provided (Quality assurance);
- 3.2.4 Reporting to the Chief Audit Executive;
- 3.2.5 Presentation of their output to the management of the Department and the Audit Committee;
- 3.2.6 Maintaining a working relationship with the office of the Auditor-General;
- 3.2.7 Transferring skills to the internal resources provided; and
- 3.2.8 Providing sound advice as and when required.

4. EVALUATION GUIDE

The selection of the service providers to be placed on the panel will be subject to the criteria set out in **Evaluation Criteria. Guide for the selection of suitable service providers will be undertaken on the following basis:**

4.1 Company Experience

The following must be submitted:

- 4.1.1 A company profile including history, group structure, operations, logistics, and related companies and services; illustrating how they are structured to provide internal audit and risk management services and years of practical experience on the similar assignments undertaken at various organizations.
- 4.1.2 Five (5) contactable references must be provided from clients detailing the actual work completed per relevant category/categories of services. The reference letters must indicate the following:
 - a) Confirm that the bidder had successfully executed the project;
 - b) Reference name and contact numbers;
 - c) Name of the organization where the work was undertaken;
 - d) The duration of the project start and end date (day, month and year).

The bidders are advised that five (5) contactable references refers to five (5) letters for five (5) different projects i.e., one (1) reference letter per project. Bidders to note that if they submit one (1) letter with different projects still that letter will be treated as one (1) project regardless of the number of projects in one (1) letter. The letters should be coming from the organization that previously appointed your company/firm to implement the audit project or anything similar on behalf of the appointing organization.

Kindly note: The letters of reference submitted must be for projects undertaken by the firm or bidder in the past seven years.

4.2 Project Leader Qualifications and Experience

4.2.1 The bidder must submit **ONLY two (2) names** of Project Leaders for the duration of the contract term (the 2nd being an alternative name for a project leader should the main proposed name not be able to be available during the cause of the project).

4.2.2 The firm must provide the following for each of the two Project Leaders:

- a) A comprehensive curriculum vitae indicating internal audit and risk management experience. This must include:
 - Knowledge and expertise in the application of the best practice audit methodologies suitable for the public sector institutions,
 - A clear understanding of the dynamics of the Department of Health / Health sector.
- b) Certified copies of qualifications and membership affiliations (International qualification needs to be verified by SAQA)
- c) Duration of working experience start and end date (day / month and year).

NB: Bidder must ensure that the Curriculum Vitae (CVs) submitted are not included in other bidder's proposals. Should a duplication of CVs be identified across proposals, such CVs will be disregarded for both bidder's during the evaluation process.

4.3 Key Personnel Experience

Key resources must have the following minimum competencies and expertise:

- 4.3.1 The bidder must provide CVs of the key personnel covering qualifications and experience in internal audit and risk management services;
- 4.3.2 The personnel must also provide experience in the health environment;
- 4.3.3 Knowledge and experience in the workings of audit and risk management systems;
- 4.3.4 Knowledge and experience in the workings of data analytics tools such as ACL;
- 4.3.5 Knowledge of the PFMA, public sector legislation, health specific legislation, associated regulations, practice notes, instruction notes and circulars;
- 4.3.6 Knowledge and understanding of the Government Annual Financial Statement requirements including the Modified Cash Standard, and Generally Recognized Accounting Practice (GRAP);
- 4.3.7 Competency of specialist internal audit teams in performing various audits;
- 4.3.8 Ability to transfer skills and expertise to KZN Department of Health in-house Internal Auditors;
- 4.3.9 Communication, management, and report writing skills.

NB: Bidder must ensure that the Curriculum Vitae (CVs) submitted are not included in other bidder's proposals. Should a duplication of CVs be identified across proposals, such CVs will be disregarded for both bidder's during the evaluation process.

4.4 Approach and Methodology

The bidder must detail the approach/ methodology that will be adopted in rendering the scope of work including, but not limited to:

- Planning for the internal audit engagements;
- Executing the internal audit engagements;
- Communicating the Results;
- Facilitating for combined assurance;

- Tools to be used to execute and ensure safe keeping of internal audit work across stages;
- Proposed project stages / plan for each engagement allocated.

NB: It is important to note that the Department of Health has, as part of its internal audit methodology, internal audit templates in place for all stages of auditing that the successful service providers will be expected to adopt.

4.5 Training Strategy

The bidder must propose the training approach to facilitate for skills transfer to the internal resources that will be introduced to the projects. This must include:

- Formal classroom training modules for the various responsibility levels (Directors, Deputy Directors, Assistant Directors, Junior Resources).
- On-the-job training of the various levels of internal personnel.

5. DELIVERABLES

- 5.1 The output requirement is to provide the KwaZulu-Natal Department of Health with the required reports with all supporting documents/evidence, manpower, training, workshops, sessions undertaken, etc., as, and when required.
- 5.2 The service providers will be required to sign a Consultancy Panel Agreement. The approved list of service providers must have the capacity, functional skills and experience, to provide the services required at a level acceptable to KZN Department of Health.
- 5.3 Engagement letters will be signed between the service provider and the KwaZulu-Natal Department of Health for each assignment awarded.

6. COMMUNICATION AND REPORTING

- 6.1 The successful bidder(s) will report to the Chief Audit Executive (CAE) and/or his/her delegated representatives in relation to various assignments, according to agreed terms as would be documented on the subsequent engagement letters or contracts.
- 6.2 Projects will be initiated by means of written instructions to the successful bidders on a random basis, backed by verbal briefings where necessary.

7. DETAILS OF SERVICE PROVIDER'S PROPOSAL

Prospective service providers must provide information in the following sequence:

- 7.1 Company Experience - practical experience, stating the nature of the assignments and the deliverables achieved in relation to each Category of Service detailed in paragraph 3.1 above;
- 7.2 Reference letters including names, designations and current contact details (landline numbers, cellphone numbers and email addresses) of references, for practical experience and similar assignments indicated above, who are able to confirm the nature, content and quality of output provided;
 - 7.2.1 Project Leader Qualifications;
 - 7.2.2 Project Leader Experience;
 - 7.2.3 Key Personnel Experience - Profiles of Resources (Curriculum Vitae, including certified

copies of qualifications) of consultants/specialists who are considered suitable to undertake projects in relation to Categories of Service detailed in paragraph 3.1 above;

- 7.2.4 Approach and Methodology; and
- 7.2.5 Training Strategy for the in-house resources.
- 7.2.6 Compulsory Submissions

Please note that this is a panel appointment and hence fees are not required for this submission.

8. GENERAL CONDITIONS

- 8.1 As and when assignments are agreed upon, the KwaZulu-Natal Department of Health will stipulate the rates to be paid per hour per consultant, dependent on the level of experience and knowledge required for that assignment. The service level agreement or Letter of Engagement relating to the particular assignment will stipulate such rates and/or a total budget and will need to be signed prior to commencement of each assignment. The rates shall not exceed Provincial Treasury prescribed rates.
- 8.2 All prospective bidders must treat all available data provided by department as strictly confidential and not available for any form of distribution or use other than on the project in respect of which the information was made available for, unless written approval from the Head of Department is obtained in advance;
- 8.3 Successful bidders must be in a position to commence work within ten (10) calendar days of the awarding of a contract relating to an assignment;
- 8.4 Payment for work on any assignment will only be made when the Chief Audit Executive is satisfied with the standard of output delivered by the service provider;
- 8.5 KZN Department of Health will set and determine the rate per hour for each level of resource required (inclusive of Disbursements) and advise the total budget (inclusive of VAT) in respect of each assignment, prior to awarding it.

SECTION L: EVALUATION CRITERIA

The Department will evaluate applications or bids received before the closing date and time using two (2) evaluation stages, these are peremptory requirements. Should the applicant fail to comply, the application or bid will be regarded as non-responsive and disqualified. The criteria are as follows:

Stage 1: Administrative and Mandatory Requirements
Stage 2: Functionality Evaluation Criteria

Stage 1: Administrative and Mandatory Requirements

NO.	REQUIREMENTS	RETURNABLE	MANDATORY FOR APPLICATION EVALUATION PURPOSES FOR STAGES 1 AND 2	FOR OFFICIAL USE ONLY		
				YES	NO	N/A
1. Prospective bidder to ensure that the following Sections of the bid document must be completed in full and in all respects to Qualify for the next stage of evaluation:						
1.1	Section A: Invitation to Bid (SBD1) Part A	Yes	Stage 1			
1.2	Section B: Special Instructions And Notices To Bidders Regarding The Completion Of Bidding Forms	No				
1.3	Section C: Authority To Sign A Bid	Yes	Stage 1			
1.4	Section D: Bidder's Disclosure (SBD 4)	Yes	Stage 1			
1.5	Section E: The National Industrial Participation Programme (SBD 5)					
1.6	Section F: Declaration That Information On Central Supplier Database Is Correct And Up To Date	Yes	Stage 1			
1.7	Section G: Preference Points Claim Form In Terms Of The Preferential Procurement Regulations 2022 (SBD 6.1)	Yes	Stage 1			
1.8	Section H :Record of Amendments To Bid Documents	Yes				
1.9	Section I : General Conditions of Contract	No				
1.10	Section J : Special conditions of contract	No				
1.11	Section K : Specifications	No				
1.12	Section L :Pricing Schedule	Yes	Stage 1			
1.13	Section M : Evaluation Criteria	No	No			
2. Prospective bidder must provide the following as Mandatory Requirements:						
2.1	The Consortium/ Joint Venture/ Partnership agreement, only if applicable. (Certified Copies required).	Yes	Stage 1			
2.2	-BBEE certificate indicating the B-BBEE status level of contributor. The B-BBEE certificate must be issued by a SANAS accredited verification agency; Or A duly completed Sworn Affidavit, signed by the deponent and commissioned by the authorized commissioner of oaths. The sworn affidavit must indicate the day, month and year on which the annual total revenue is based on and the level of black ownership that is claimed;	Yes	No			

NO.	REQUIREMENTS	RETURNABLE	MANDATORY FOR APPLICATION EVALUATION PURPOSES FOR STAGES 1 AND 2	FOR OFFICIAL USE ONLY		
				YES	NO	N/A
	or A sworn affidavit on an accredited template issued by the DTI/CIPC for both EME or QSE, Note: i. Bidders must ensure that the correct sworn affidavit for the Financial Sector are submitted, ii. A trust, consortium, or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE status level certificate. The B-BBEE is a mandatory requirement, this will not be used for scoring of preferential points					
2.2	Company Detailed profile/proposal; reference letters; Relevant Qualifications	Yes (If Applicable)	Stage 2			

Stage 2: Functionality Criteria

Proposals from prospective bidders will be evaluated on functionality in accordance with the following matrix:

TECHNICAL SCORECARD	MAXIMUM POINTS	COMPANY SCORE
1 Company Experience in Internal Auditing	15	
2 Company Experience in Risk Management	10	
3 Reference Letters	5	
4 Project Leader Qualifications	5	
5 Project Leader Experience (Internal Audit)	10	
6 Project Leader Experience (Risk Management)	10	
7 Project Leader Experience (Health sector internal audit)	10	
8 Key Personnel Experience	15	
9 Approach and Methodology	10	
10 Training Strategy	10	
TOTAL	100	
<i>Service providers will qualify to the panel when they have attained competency level of 80% and higher.</i>		

Stage 2: Functionality Criteria (Continued)

The scoring in respect of **the functionality criteria** will be as follows:

CRITERIA	DESCRIPTION	SCORING SCALES	MAXIMUM POINTS
Company Experience in Internal Auditing	The bidder must demonstrate experience in internal auditing including both in the private and public service; The company must demonstrate capacity to lead and drive the internal audit strategy and operations. Note: The experience must include a company detailed profile as stipulated on the terms of reference.	Experience in Internal Audit Service Scales - Experience exceeding 10 years= 15 points - Experience between 5-10 years=12 points - Experience between 3 - 5 = 8 points - Experience between 1 - 3 years = 3 points - Experience between 0 - 1 year = 0	15
Company Experience in Risk Management	The bidder must demonstrate experience in Risk Management services (including risk management frameworks, control self-assessments, risk analysis capability, risk maturity services, risk assessment tools) both in the private and public service; The company must demonstrate capacity to lead and drive the risk management strategy and operations. Note: The experience must include a company detailed profile as stipulated on the terms of reference.	Experience in Risk Management Scales - Experience exceeding 10 years= 10 points - Experience between 5-10 years=7 points - Experience between 3 - 5 = 4 points - Experience between 1 - 3 years = 1 point - Experience between 0 - 1 year = 0	10
References	Reference letters, on clients' letterheads, specifying the nature of services, period, value and contactable persons. Note: The reference letters are required as stipulated on the terms of reference.	Reference Letter Scales - 5 Reference Letters = 5 points - 4 Reference Letters = 4 points - 3 Reference Letters = 3 points - 2 Reference Letters = 2 points - 1 Reference Letters = 1 point - 0 Reference Letters = 0 points	5

CRITERIA	DESCRIPTION	SCORING SCALES	MAXIMUM POINTS
Leader Qualifications	The bidder must commit on a Project Leader for the duration of the Project and must provide the following: - Relevant Qualifications (Finance or Auditing) - Relevant Membership Affiliations Note: The bidder <u>must further provide an alternative name for a project leader</u> should the main proposed name not be able to be available during the cause of the project. The same details shall be provided. The Project Leader with the highest educational qualification will be used for scoring purposes. For Example if Project Leader 1 has CA Qualification and Project Leader 2 has Post-graduate Qualification. Project Leader 1 will be used for scoring purposes	Qualifications Scales - CIA / CA Qualification = 5 points - Post-graduate Qualification = 4 points - Degree / National Diploma = 2 points - No relevant tertiary Qualification = 0 points - One Project Leader submitted = 0 Points	5
Leader Experience (Internal Audit)	The bidder must demonstrate the experience of the leader providing strategic direction in internal auditing, including: - Experience in boards / audit committees in the private and public service; The bidder must further provide an alternative name for a project leader should the main proposed name not be able to be available during the cause of the project. The same details shall be provided.	Experience Scales - Exceeding 10 years in internal auditing = 10 points - Between 5 – 10 years = 8 points - Between 3 – 5 years = 3 points - Between 1 – 3 years = 1 point - No experience = 0 point	10

CRITERIA	DESCRIPTION	SCORING SCALES	MAXIMUM POINTS
Leader Experience (Risk Management)	The bidder must demonstrate the experience of the leader providing strategic direction in risk management, including: - Experience in risk committees in the private and public service; - Experience in driving combined assurance model The bidder must further provide an alternative name for a project leader should the main proposed name not be able to be available during the cause of the project. The same details shall be provided.	Experience Scales - Exceeding 10 years in risk management = 10 points - Between 5 – 10 years = 8 points - Between 3 – 5 years = 3 points - Between 1 – 3 years = 1 point No experience = 0 point	10
Leader Experience (health sector internal audit)	- Experience in the Health Sector (Private / Public) including participation in boards / audit committees	Experience Scales - Exceeding 10 years in internal auditing = 10 points - Between 5 – 10 years = 8 points - Between 3 – 5 years = 3 points - Between 1 – 3 years = 1 point - No experience = 0 point	10
CRITERIA	DESCRIPTION	SCORING SCALES	MAXIMUM POINTS
Key Personnel Experience	The bidder must provide CVs of the key personnel covering qualifications and experience in internal audit services and in the health sector. The personnel must also provide experience in the health environment. Note Key Personnel required: Minimum of Two Senior Resource and Two Intermediary Resource	Qualifications - Key personnel with CIA / CA and Specialist Doctor/s = 5 points - Key personnel with CIA / CA without Specialist Doctor/s = 4 points - Key Personnel with Post-Graduate qualifications = 3 points - Key Personnel with Degrees / National Diplomas = 2 points - No qualifications = 0 Experience - Exceeding 10 years in internal auditing (Including Health Sector) = 10 points	15

		- Exceeding 10 years in internal auditing (without Health Sector) = 8 points - Between 5 – 10 years ((Including Health Sector) = 6 points - Between 5 – 10 years ((without Health Sector) = 5 points - Between 3 – 5 years ((Including Health Sector) = 4 points - Between 3 – 5 years ((without Health Sector) = 3 points - Between 1 – 3 years ((Including Health Sector) = 2 points - Between 1 – 3 years ((without Health Sector) = 1 point - No experience = 0	
CRITERIA	DESCRIPTION	SCORING SCALES	MAXIMUM POINTS
Methodology	The bidder must detail the approach that will be adopted in rendering the scope of work including, but not limited to: - Planning for the internal audit engagements; - Executing the internal audit engagements; - Communicating the Results; - Facilitating for combined assurance; - Tools to be used to execute and ensure safe keeping of internal audit work across stages. - Proposed project stages / plan for each engagement allocated.	- Methodology exceeding the requirements, with additional value-add, and fully conforming with Internal Audit Standards = 10 points - Methodology fully compliant with the requirements and fully conforming with Internal Audit Standards = 8 points - Methodology satisfying the requirements and fully conforming with Internal Audit Standards = 6 points - Methodology fairly satisfying the requirements and conforming with Internal Audit Standards with some reservations= 4 points - Methodology fairly satisfying the requirements with	10

		serious reservations = 2 points - No Methodology or inadequate methodology= 0 points	
CRITERIA	DESCRIPTION	SCORING SCALES	MAXIMUM POINTS
Training Strategy	The bidder must propose the training approach to facilitate for skills transfer to the internal resources that will be introduced to the projects. This must include: - Proposed classroom training modules for the various responsibility levels (Directors, Deputy Directors, Assistant Directors, Junior Resources). - In-the-job training of the various levels of internal personnel.	- Clear training approach addressing the full skills requirements for all levels of internal auditors = 10 points - Clear training approach addressing the full skills requirements for 80% of levels of internal auditors = 8 points - Clear training approach addressing the full skills requirements for 60% of levels of internal auditors = 6 points - Clear training approach addressing the full skills requirements for 40% of levels of internal auditors = 4 points - Clear training approach addressing the full skills requirements for 20% of levels of internal auditors = 2 points - No training approach = 0 points	10
TOTAL			100

The Bid Documents will be evaluated by the evaluation panel in accordance with the above-mentioned Evaluation Criteria. **All service providers who score less than 80% for functionality will not be considered.**

NB: Bidder must ensure that the Curriculum Vitae (CVs) submitted are not included in other bidder's proposals. Should a duplication of CVs identified across proposals, such CVs will be disregarded for both bidder's during the evaluation process.

Bidders must score 80 points to be considered to be on the panel

Stage 3: Price and Specific Goals (Once panel of consultants awarded and established)

3.1. The scoring will be taken into consideration once Panel has been established and when selecting consultants from the Panel for a specific assignment. The selection of consultants will consider and prioritised companies owned by Historically Disadvantaged Individuals.

3.2 Rates or Fees will be negotiated during specific assignment based on skills required by the Department

Template for Curriculum Vitae

Section 1		Personal Details	
Surname			
Full Names			
Physical Address			
Postal Address			
Contact Details			
Type of Resource Project Leader Senior Resource Intermediary Resource			
Section 2 Educational Qualifications (Commence with highest qualification) Please attach certified copies of qualifications			
Qualification	Year Obtained	Name of Institution (where qualification obtained)	
Section 3 Professional Registration and Membership Affiliations Please attach certified copies of qualifications			
Type of certificate	Year Obtained	Name of Institution (where qualification obtained)	

Section 4 Work Experience			
Type of Experience	Period	Duties and number of years	Company or Organisation
Section 5 Contactable References			
Surname	Initials	Relationship	Contact Details
Section 6 General and additional Information			