



BID NO:	WCGRB 022526
BID DESCRIPTION:	INTERNAL AUDIT SERVICES
ADVERTISED DATE:	12 SEPTEMBER 2025
CLOSING DATE:	6 OCTOBER 2025
VALIDITY PERIOD:	60 DAYS (Calculated from Closing Date)

Contents

Document No.	Description
1	Invitation to Bid (WCBD 1)
2	Terms of Reference
3	Pricing Schedule (WCBD 3.3)
4	Declaration of Interests, Bidders Past SCM Practices and Independent Bid Determination (WCBD 4)
5	Preference Point Claim Form (WCBD6.1)
6	Contract Form (WCBD7.1 – Part 1)
7	General Conditions of Contract
8	List of Returnable Documents

PART A INVITATION TO BID

ZERO-TOLERANCE TO FRAUD, THEFT AND CORRUPTION (ANTI-FRAUD, THEFT AND CORRUPTION)

THE WCG IS COMMITTED TO GOVERN ETHICALLY AND TO COMPLY FULLY WITH ANTI-FRAUD, THEFT AND CORRUPTION LAWS AND TO CONTINUOUSLY CONDUCT ITSELF WITH INTEGRITY AND WITH PROPER REGARD FOR ETHICAL PRACTICES.

THE WCG HAS A ZERO TOLERANCE APPROACH TO ACTS OF FRAUD, THEFT AND CORRUPTION BY ITS OFFICIALS AND ANY SERVICE PROVIDER CONDUCTING BUSINESS WITH THE WCG.

THE WCG EXPECTS ALL ITS OFFICIALS AND ANYONE ACTING ON ITS BEHALF TO COMPLY WITH THESE PRINCIPLES TO ACT IN THE BEST INTEREST OF THE WCG AND THE PUBLIC AT ALL TIMES.

THE WCG IS COMMITTED TO PROTECTING PUBLIC REVENUE, EXPENDITURE, ASSETS AND REPUTATION FROM ANY ATTEMPT BY ANY PERSON TO GAIN FINANCIAL OR OTHER BENEFIT IN AN UNLAWFUL, DISHONEST OR UNETHICAL MANNER.

INCIDENTS AND SUSPICIOUS ACTIVITIES WILL BE THOROUGHLY INVESTIGATED AND WHERE CRIMINAL ACTIVITY IS CONFIRMED, RESPONSIBLE PARTIES WILL BE PROSECUTED TO THE FULL EXTENT OF THE LAW.

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE WESTERN CAPE GAMBLING AND RACING BOARD					
BID NUMBER:	WCGRB 022526	CLOSING DATE:	6 OCTOBER 2025	CLOSING TIME:	11:00
DESCRIPTION	INTERNAL AUDIT SERVICES				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
24 FAIRWAY CLOSE					
PAROW					
7500					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Santonia De Bruyn / Laverne Sawall		CONTACT PERSON	Zoe Siwa	
TELEPHONE NUMBER	021 480 7400		TELEPHONE NUMBER	021 480 7400	
FACSIMILE NUMBER	n/a		FACSIMILE NUMBER	n/a	
E-MAIL ADDRESS	santonia@wcgrb.co.za / laverne@wcgrb.co.za		E-MAIL ADDRESS	zoe@wcgrb.co.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		AND	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No
IF YES, WAS THE CERTIFICATE ISSUED BY A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACREDITATION SYSTEM (SANAS)	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No				

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs & QSEs) MUST BE SUBMITTED TOGETHER WITH A COMPLETED 6.1 IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS/ SERVICES/ WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
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QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.	

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 IN THE MANNER PRESCRIBED IN THE BID DOCUMENT. 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT. 1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (WCB D7).
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 ORGAN OF STATE 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 THROUGH THE WEBSITE WWW.SARS.GOV.ZA. 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE WITH TOGETHER WITH THE BID. 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE AND CSD NUMBER AS MENTIONED IN 2.3 ABOVE. 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED. 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."
NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
 (Proof of authority must be submitted e.g. company resolution)

DATE:



TERMS OF REFERENCE: APPOINTMENT OF A SUITABLE AND INDEPENDENT INTERNAL AUDIT SERVICE PROVIDER.

1. INTRODUCTION

- a. The Western Cape Gambling and Racing Board (WCGRB) invites suitable and registered Audit Firms to submit proposals to execute the WCGRB Internal Audit Function.
- b. The WCGRB is a statutory body constituted in terms of the Western Cape Gambling and Racing Act. The WCGRB is a Schedule 3C PFMA Public Entity. The right to carry on any gambling or racing or activities incidental thereto in any manner, whether directly or indirectly, within the Province of the Western Cape, vest exclusively in the Board. The Board is a juristic person and conduct all its business in its own name. The main objective of the Board is to control all gambling, racing and activities incidental therefore in the Province of the Western Cape.
- c. These Terms of Reference (ToR) sets out the scope, objectives, responsibilities and deliverables for the appointment of an external internal audit firm to perform internal audit services in accordance with the latest International Professional Practices Framework (IPPF) and the new Global Internal Audit Standards issued by the Institute of Internal Auditors (IIA).

2. BACKGROUND

- a. The purpose of this engagement is to provide independent, objective assurance and consulting services designed to add value and improve the organisation's operations, governance, risk management and internal control processes.
- b. In terms of section 51(1)(a)(ii) of the Public Finance Management Act (PFMA), an accounting authority for a public entity must ensure that that public entity has and maintains a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of section 76 and 77 of the PFMA.
- c. The Internal Audit function should assist the Board to accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management control and governance processes. The risk management strategy including the fraud prevention plan must be used to direct the internal audit effort.

3. LEGISLATIVE FRAMEWORK OF THE BID

a. Tax Legislation

- i. Bidder(s) must be compliant when submitting a proposal to WCGRB and remain compliant for the entire contract term with all applicable tax legislation, including but not

limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991).

- ii. It is a condition of this bid that the tax matters of the successful bidder be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations (evidence of such arrangements must accompany this bid).
- iii. The Tax Compliance status requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- iv. It is a requirement that bidders grant a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.
- v. Bidders are required to be registered on the Central Supplier Database and the WCGRB shall verify the bidder's tax compliance status through the Central Supplier Database except in the case of where arrangements have been made with SARS as depicted in 3(a)(ii) above.
- vi. Where a consortium, joint venture, or sub-contractors are involved, each participating entity must be registered on the Central Supplier Database, and their tax compliance status will be verified accordingly.

b. Procurement Legislation

- i. The WCGRB has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act, No. 1 of 1999), the Preferential Procurement Policy Framework Act 2000 (Act, No.5 of 2000), the Preferential Procurement Regulations 2022 and the Broad-Based Black Economic Empowerment Act, 2003 (Act, No. 53 of 2003).

4. TIMELINE OF THE BID PROCESS

- a. The period of validity of tender and the withdrawal of offers, after the closing date and time is 60 days. The project timeframes of this bid are set out below:

ACTIVITY	DUE DATE
Advertisement of bid on Government e-Tender portal and WCGRB website	Friday, 12 September 2025
Bid closing date	Monday, 6 October 2025
Bid closing time	11H00 (11am)
Compulsory briefing session	No briefing session.
Contract duration	A period of three (3) years, with an option to extend for one (1) additional year, or part thereof.

- b. All dates and times in this bid are South African standard time.
- c. Any time or date in this bid is subject to change at the Board's discretion. The establishment of a time or date in this bid does not create an obligation on the part of WCGRB to take any action, or create any right in any way for any bidder to demand that any action be taken on the date established.
- d. The bidder accepts that, if the Board extends the deadline for bid submission (the Closing Date) for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

5. CONTACT AND COMMUNICATION

- a. All communication between the Bidder(s) and WCGRB must be done in writing and forwarded to zoe@wcgrb.co.za.
- b. Whilst all due care has been taken in connection with the preparation of this bid, WCGRB makes no representations or warranties that the content of the bid or any information communicated to or provided to Bidder(s) during the bidding process is, or will be, accurate, current or complete. WCGRB, and its employees/ officials and advisors will not be liable with respect to any information communicated, which may not be accurate, current or complete.
- c. If Bidder(s) finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by WCGRB (other than minor clerical matters), the Bidder(s) must promptly notify WCGRB in writing of such discrepancy, ambiguity, error or inconsistency in order to afford WCGRB an opportunity to consider what corrective action is necessary (if any).
- d. Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by WCGRB will, if possible, be corrected and provided to all Bidder(s) without attribution to the Bidder(s) who provided the written notice.
- e. All persons (including Bidder(s)) obtaining or receiving the bid and any other information in connection with the Bid or the Tendering process must keep the contents of the Bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a proposal in response to this Bid.

6. LATE BIDS

- a. Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where practicable, be returned unopened to the Bidder(s).

7. COUNTER CONDITIONS

- a. Bidders' attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by Bidders or qualifying any Bid Conditions will result in the invalidation of such bids.

8. FRONTING

- a. Government supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background the Government condemns any form of fronting.
- b. The Government, in ensuring that Bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry / investigation, the onus will be on the Bidder / contractor to prove that fronting does not exist.
- c. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the Bidder /contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies WCGRB may have against the Bidder / contractor concerned.

9. SUPPLIER DUE DILIGENCE

- a. WCGRB reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

10. SCOPE OF WORK

The scope of work includes, but is not limited to, the following requirements:

- a. Review and make recommendations for improvement on the Internal Audit Charter (April 2026 onwards).
- b. Review and make recommendations for improvement on the Audit and Risk Committee Charter (April 2026 onwards).
- c. Develop and implement the WCGRB Internal Audit Strategy in accordance with the Global Internal Audit Standards.
- d. Assist the WCGRB in updating its current internal audit methodology to ensure uniformity in the operations of all internal audit assignments by considering the Global Internal Audit Standards.

- e. Ensuring that all audit work is performed in accordance with the IIA's Global Internal Audit Standards (effective January 2025).
- f. Assist with the improvement and implementation of Combined Assurance Framework, plans and reporting.
- g. Develop a three-year rolling audit plan and annual internal audit operational plan based on the risk assessment results for approval by the Audit and Risk Committee.
- h. Develop and/or update the audit universe, which consists of all risk areas that could be subject to audit, resulting in a list of possible audit engagements that could be performed and submit such audit universe to senior management and Audit and Risk Committee for approval.
- i. Develop a Risk and Control Matrix during planning stages for all engagements.
- j. Perform risk-based audit assignments as per the Global Internal Audit Standards.
- k. Performing internal audit assignments as approved by the Audit and Risk Committee.
- l. Evaluate the effectiveness of risk management and corporate governance systems against international standards and provide counsel and guidance at the Executive Management level.
- m. Conducting special assignments and investigations on behalf of the Audit and Risk Committee, management or the Board into any matter or activity affecting the WCGRB;
- n. Report through the Internal Audit Function the results of the review and the progress against the plan at Management meetings and Audit and Risk Committee meetings, where progress from internal audit is required.
- o. Reporting audit findings with appropriate recommendations to management and the Audit and Risk Committee.
- p. Following up on the implementation status of agreed management actions.
- q. Review the annual financial statements of the Board on an annual basis in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), where required.
- r. Co-ordinate with other internal and external providers of assurance to ensure proper coverage and to minimise duplication of effort. To this end, the internal audit function will liaise with the Auditor-General and ensure alignment with the external audit function, where possible.
- s. Consider the use of technology and automation-based audit techniques as part of internal audit procedures.
- t. Timely liaison with Management.

- u. Fulfil all requirements pertaining to internal audit as reflected in the Public Finance Management Act, Treasury Regulations and any other regulatory authorities.
- v. Annually provide a written assessment (overall conclusion) of the internal control environment, governance, and risk management to the Audit and Risk Committee.
- w. Developing and maintaining a quality assurance and improvement program that covers all aspects of the internal audit function including internal and external quality assessments and formally communicate the results of external and internal assessments to senior management, the Audit and Risk Committee and the Board upon completion of such assessments.
- x. Keeping the Audit and Risk Committee informed of emerging trends and successful practices in internal auditing.
- y. Conduct a gap assessment between King IV and King V, and recommend appropriate remedial actions to the Board and its sub-committees.
- z. Maintaining independence, objectivity and professional competence at all times.
- aa. Maintain strict confidentiality of all information acquired during the course of the contract.
- bb. Provide the WCGRB with publications, notifications and summaries via the Internal Audit Function, detailing the latest developments in at least but not limited to the following areas: Risk Management, Financial Management, Supply Chain Management, Performance Information, Compliance, Corporate Governance, Information Technology and Human Resources.

11. REPORTING STRUCTURE

- a. The internal audit firm will report functionally to the Audit and Risk Committee through the Chief Audit Executive (CAE) and administratively to the Chief Executive Officer (or designated senior executive).
- b. The internal audit function must add value and be seen as a governance and assurance tool that enhances the system of internal controls at a reasonable cost, as well as ensuring compliance to the provisions of the Public Finance Management Act, 1 of 1999, as amended, the applicable Treasury Regulations, Risk Management Standards and Frameworks and the Standards of Professional Practice in Internal Audit (SPPIA) as set by the Institute of Internal Auditors. This would also include application of the principles of the latest King Report on Corporate Governance as well as any other related legislation, policies and frameworks.

12. LOCATION OF SERVICES

- a. The Internal Audit Services will be rendered at the Board's premises situated at 24 Fairway Close, Parow, 7500.

13. REQUIREMENTS FOR THE PROJECT

a. **Qualifications and Experience required:**

- i. Bidders must demonstrate adequate staff with knowledge and experience.
- ii. Team members must practice Internal Auditing at a senior level that demonstrates a working knowledge and application of the International Professional Practice Framework (IPPF) and Global Internal Audit Standards.
- iii. Team members must have technical skills in Internal Audit covering areas such as information technology, risk management, governance and strategic management, internal auditing and audit management.
- iv. The Engagement Director must have the skills to perform the functions of the Chief Audit Executive (CAE) for WCGRB until a new permanent CAE has been appointed.
- v. Service providers must ensure that junior staff, who will be part of the team possess the necessary and relevant skills, experience and qualifications.
- vi. **Annexure A:** Team details must be used to summarise experience and details about projects worked on including roles and duration. The information in **Annexure A** should reconcile with Information on the CV's and supporting documents. All certificates (academic and professional) must be certified as true copies of the originals. Certification should not be older than six (6) months.

b. **Past performance**

- i. The past performance of bidders in executing similar projects will be evaluated by using the information on **Annexure B: Summary of IA contracts in the Public Sector**, **Annexure D: Summary of IT experience** and the references supplied by bidders as well as any other information available to the panel. For the contactable references **Annexure C** to be completed.

1. **Bidder's experience of performing Internal Audit in the Public Sector (Annexure A to be completed).**

- a. The WCGRB is a statutory body constituted in terms of the Western Cape Gambling and Racing Act. The WCGRB is a Schedule 3C PFMA Public Entity. The WCGRB is required to adhere to the Standards of GRAP (Standards of Generally Recognised Accounting Practice). Bidders should have the necessary experience and knowledge to perform Internal Audit services in a public entity.
- b. For Joint ventures, the average of the applicable parties will be utilised.

2. **Experience in Information Technology Audits (Annexure D to be completed)**

- a. The bidder should be able to perform IT Governance reviews, general control reviews, application control reviews and IT security reviews.

3. **Quality of Work (Annexure C to be completed)**

- a. The bidder must submit minimum three (3) references forms of similar/related work undertaken previously by the bidding entity in the

last 5 years. The feedback required from the contactable client references on following areas:

- i. Adherence to budget and timelines
- ii. Value add recommendations for enhancement or improvement of processes
- iii. Value add to the operations of Internal Audit by providing new innovative ways of auditing
- iv. Sufficient quality assurance approach to ensure a robust internal review prior to presenting the product to the CAE
- v. Consistent level of service rendered for the duration of the contract
- vi. Audit team adequate for the various assignments in the rendering of internal audit services
- vii. Team's adaptability to changing environment to still provide quality work
- viii. Successfully implementation of data analytics techniques

c. Methodology

- i. The Global Internal Audit Standards became applicable on 9 January 2025. The change is in terms of the format and content of standards. The internal audit projects need to be performed in terms of the new Standards. Bidders are also required to demonstrate experience and expertise of utilisation of CAATS to ensure audit efficiencies.
- ii. Bidders are required to submit an Approach Paper, which sets out their proposed methodology, as well as their experience and expertise in using CAATS to enhance audit efficiency.

14. APPOINTMENT AND DURATION

- a. The internal audit firm shall be appointed for a period of three (3) years, subject to annual performance review by the Audit and Risk Committee and possible renewal or termination at the organisation's discretion.
- b. The appointment may be extended for an additional one (1) year, based on satisfactory performance and mutual agreement.
- c. The contract may be terminated by the WCGRB during the contract period after 30 (thirty) days written notice, if the contractor is negligent or does not perform in accordance with the contractual stipulations and service level agreement to be entered into.

15. NOTES TO THE BIDDERS

- a. This section outlines the basic requirements that must be met.
 - i. The WCGRB will not be liable to reimburse any costs incurred by the bidder during this tender process.

- ii. The WCGRB is committed to maximise the value obtained from the available internal audit resource.
- iii. Bidders should identify the work they are currently carrying out or competing which could cause a conflict of interest, and indicate how such a conflict would be avoided.
- iv. The WCGRB shall be invoiced monthly, as and when the work is completed, provided the service level targets have been achieved during the period and approved by the WCGRB.
- v. The successful bidder shall enter into a Service Level Agreement with the WCGRB.

16. PROPOSAL SUBMISSION

- a. Bid documents may either be placed in the tender box (located on the front porch of 24 Fairway Close, Parow, 7500) OR hand-delivered at 24 Fairway Close, Parow, 7500 (Office Hours: 07H00 until 15H00 from Monday to Friday) OR couriered to 24 Fairway Close, Parow, 7500.
- b. Bid documents will only be considered if received by WCGRB by the closing date and time, regardless of the method used to send or deliver such documents to WCGRB.
- c. Bidders are requested to initial each page of the tender document on the top right-hand corner.
- d. To facilitate the evaluation process, all proposals must reflect the following information. Failure to supply all or any part of the requested information MAY RESULT in a proposal being excluded from the evaluation process. Tender submission should follow the two-envelope system.
- e. Three (3) copies of the proposal (ENVELOPE A PLUS ENVELOPE B) must be submitted in the following format:
- f. **Envelope A must only include the following information:**

Section	Required information:
Section 1:	Covering letter of the service provider.
Section 2:	The information provided in Section 2 will be utilised to evaluate the bidder's Administrative Compliance.
Section 3:	The information provided in Section 3 will be utilised to evaluate the bidder's Mandatory Compliance.
Section 4:	<p>The information provided in Section 4 will be utilised to evaluate the bidder's functionality in respect of the following areas:</p> <ul style="list-style-type: none"> a. Capacity and experience of the Project Leader and the proposed team: 40 points b. Company Past Performance: 30 points c. Methodology: 30 points

g. Envelope B must only include the following information:

- i. Section 1: Detailed budget breakdown (inclusive of VAT) aligned to WCBD 3.3
 - 1. The plan should include costing of all activities therein at an average hourly tariff.
 - 2. Bidders must provide the average hourly tariff inclusive of VAT, but exclusive of disbursements for the services to be rendered.

17. EVALUATION CRITERIA

- a. The evaluation criteria will be in line with the Preferential Procurement Policy Framework Act and the 2017 Preferential Procurement Regulations.
- b. Evaluation of bids will be based on the 80 / 20 preferential point system wherein 80 represents price for the lowest bid and 20 the BBBEE status level of contribution.
- c. A five-stage evaluation process will be followed, that is:
 - ii. **ADMINISTRATIVE COMPLIANCE (Stage 1)**
 - iii. **MANDATORY COMPLIANCE (Stage 2)**
 - iv. **FUNCTIONALITY (Stage 3)**
 - v. **PRESENTATION BY SHORLISTED BIDDERS (Stage 4) and;**
 - vi. **PRICE AND BBBEE (Stage 5).**
- b. **Bidders who do not meet the minimum requirements in each stage (Stage 2 – 4) will not proceed to the next stages.**
- c. The bid which achieves the highest total points out of 100 after evaluation on Price and BBBEE will be recommended for appointment as the preferred successful bidder.

STAGE 1: ADMINISTRATIVE COMPLIANCE

- a. The following documents must accompany the bid documents:
 - a. Company registration documentation
 - b. Completed and duly signed Standard Bid Documents:
 - i. Duly completed **WCBD 1** (Invitation to Bid) clearly indicating the mandatory Central Supplier Database (CSD) registration number; the Western Cape Supplier Evidence Bank (WCSEB) registration number (if applicable); and the Tax Compliance Status (TCS) Pin.
 - ii. Tax Compliance Status Report (if available)
 - iii. Duly completed and **valid WCBD 4** (Declaration of interests, Bidders past SCM Practices and independent bid determination);
 - iv. Duly Completed and **valid WCBD 6.1** (Preference points claim form)
 - v. Duly completed and signed WCBD 7.1 (Contract form) (successful bidder)
 - vi. General Conditions of Contract (for information purposes)
 - c. Valid BBBEE Certificate OR Sworn Affidavit (Failure to submit the document will not result in disqualification but no points will be allocated)
 - d. Any other relevant statutory certification as specified in the Terms of Reference.

STAGE 2: MANDATORY COMPLIANCE

- a. Confirmation (by means of a letter) from Institute of Internal Audit (IIA SA) that proposed team members that are members of IIA, are members in good standing with the IIA.
- b. Confirmation (by means of a letter) from Information Systems Audit and Control Association South Africa (ISACA) that proposed Information Technology team members are in good standing with ISACA.
- c. **ONLY BIDDERS WHO HAVE MET THE MANDATORY REQUIREMENTS WILL BE CONSIDERED FOR STAGE 3: FUNCTIONALITY**

STAGE 3: FUNCTIONALITY

(a) The following is the weighting awarded for each element, and the threshold score where applicable.

Evaluation element	Weighting	Threshold score to proceed to Stage 4.
Technical proposal (Functionality)	100	80 Points

TECHNICAL EVALUATION CRITERIA

Important notes to the bidder:

- The functionality of the bidder will be evaluated in three (3) sections
- The three sections give a total of 100
- The three sections are as follows
 - **Section 1:** Capacity and experience of the Project Leader and the proposed team with a total score of 40
 - **Section 2:** Company Past Performance with a total score of 30
 - **Section 3:** Methodology with a total score of 30

Section 1: Functional Evaluation Criteria: Capacity and experience of the Project Leader and the proposed team (par 6.a. of the Terms of Reference)		Total Weight: 40
Criteria	Sub-criteria	Weight
Engagement Director's qualification (Certified copies must be attached) Experience of engagement Director (CV must be attached) Annexure A to be completed	Qualifications: 5 points <ul style="list-style-type: none"> • Certified Internal Auditor (CIA) plus other certifications relating to accounting/auditing = 5 points • Certified Internal Auditor (CIA) = 4 points • No certification = 0 points 	15
	Experience in the practice of Internal Auditing at a manager level that demonstrates a working knowledge and application of the IPPF: 5 points <ul style="list-style-type: none"> • Ten (10 and more) years' experience = 5 points • Eight (8) to below ten (10) years' experience = 4 points • Below eight (8) years' experience = 2 points 	
	Experience in the public sector – 5 points <ul style="list-style-type: none"> • Eight (8) and more years' experience = 5 points • Five (5) to below eight - (8) years' experience = 4 points • Below five (5) years' experience = 2 points 	

Manager's qualification (Certified copies to be attached)	Qualifications: 3 points <ul style="list-style-type: none"> • Certified Internal Auditor (CIA) = 3 points • Post graduate qualification (NQF 8) in auditing = 2 points • Qualification below (NQF 8) = 0 point 	10
Manager's Experience (CV must be attached) Annexure A to be completed	Experience in the practice of Internal Auditing at a manager level that demonstrates a working knowledge and application of the IPPF: 4 points <ul style="list-style-type: none"> • Eight (8) and more years' experience = 4 points • Three (3) to below eight (8) years' experience = 3 points • Below three (3) years' experience = 0 point 	
	Experience in the public sector – 3 points <ul style="list-style-type: none"> • Four (4) and more years' experience = 3 points • Two (2) to below four (4) years' experience = 2 points • Below two (2) years' experience = 0 point 	
Manager IT's qualification (Certified copies must be attached)	Qualifications: 3 points <ul style="list-style-type: none"> • Certified Information System Auditor (CISA) and other certifications in Information Technology/auditing = 3 points • CISA = 2 points • No CISA certification = 0 point 	10
Manager IT's Experience (CV must be attached) Annexure A to be completed	Experience in the practice of Information Technology Auditing at a manager level that demonstrates a working knowledge: 4 points <ul style="list-style-type: none"> • Eight (8) and more years' experience = 4 points • Three (3) to below eight (8) years' experience = 3 points • Below three (3) years' experience = 0 point 	
	Experience in the public sector – 3 points <ul style="list-style-type: none"> • Four (4) and more years' experience = 3 points • Two (2) to below four (4) years' experience = 2 points • Below two (2) years' experience = 0 point 	
Quality Assessor's qualification and experience (Certified copies to be attached)	Qualification – 2 points <ul style="list-style-type: none"> • Completed Quality Assessor Qualification Programme (IIA certificate) = 2 points • No Completed Quality Assessor Qualification Programme = 0 point 	5
CV must be attached. Annexure A to be completed.	Experience in performing External Quality assessments -3 points <ul style="list-style-type: none"> • Four (4) and more external quality assessments done = 3 points • Two (2) to below four (4) external assessments done = 2 points • Less than two (2) external assessments done = 0 point 	

Section 2: Functional Evaluation Criteria: Past performance – (par 6.b. of the Terms of Reference)		Total Weight 30
Criteria	Sub-criteria	Weight
Bidder's experience of performing Internal Audit in the Public sector (Par 6.b(1) of the Terms of Reference) Annexure B to be completed	Experience of performing Internal Audit in the Public Sector / Executing similar assignments in the public sector. <ul style="list-style-type: none"> Ten (10) and more years' experience = 10 points Eight (8) to below ten (10) years' experience = 5 points Less than eight (8) years' experience = 0 point. 	10
Bidder's experience of performing Information Technology (Par 6.b(2) of the Terms of Reference) Annexure D to be completed	Bidder must have experience in the following IT project: IT projects: IT Governance reviews, general control reviews, application control reviews, IT security reviews and Computer Assisted Techniques <ul style="list-style-type: none"> Five (5) areas of IT projects: IT Governance reviews, general control reviews, application control reviews, IT security reviews and Computer Assisted Techniques = 10 points Three (3) to below 5 (5) areas of IT projects = 5 points Less than three (3) areas of IT projects = 0 points 	10
Quality of work (Par 6.b(3) of the Terms of Reference) Annexure C to be completed.	Average of contactable reference scores <ul style="list-style-type: none"> Above 81% = 10 points Between 70% to 80% = 5 points Below 70% = 0 points 	10
Section 3: Functional Evaluation Criteria: Methodology (par 6.c. of the Terms of Reference)		Total Weight 30
Criteria	Sub –criteria	Weight
Methodology Methodology to be included in the proposal	Methodology: Bidders are required to submit an Approach Paper as part of their proposal. This paper will be evaluated for functionality and must address the bidder's methodology, technical approach, and strategic considerations for delivering the internal audit services. The Approach Paper must demonstrate: <ul style="list-style-type: none"> A clear understanding of the scope of work, the objectives of the internal audit function, and the mandate of the Western Cape Gambling and Racing Board. 	30

	<ul style="list-style-type: none">• A risk-based methodology aligned with the Global Internal Audit Standards, effective from January 2025.• Considerations for compiling a Three-Year Rolling Internal Audit Plan and Annual Internal Audit Plan, including:<ul style="list-style-type: none">○ Risk assessment process and engagement with the Board/Audit and Risk Committee.○ Development of an audit universe and prioritisation of audit areas.○ Flexibility to respond to emerging risks.○ Integration of compliance audits, performance information, IT audits, and value-adding engagements.• The proposed use of Computer Assisted Audit Techniques (CAATs) or other data analytics tools, including:<ul style="list-style-type: none">○ Tools currently in use.○ Past implementation examples.○ Proposed application for this engagement.○ Information on scripting of audit tests (if applicable).○ Development and maintenance of a Quality Assurance and Improvement Programme (QAIP) in line with Standard 1300.• How internal quality control is maintained across the firm’s audit work. <p><u>Point allocation:</u></p> <table><tr><td>Non-compliant (score 0%)</td><td>No Approach Paper submitted, or methodology does not reference Global Internal Audit Standards. No information on CAATs or planning considerations.</td></tr><tr><td>Poor (score 30%)</td><td>Approach is unclear or unlikely to meet project objectives. Limited understanding of the Board’s environment. No reference to 2025 Global Standards or meaningful CAATs application. No strategic planning considerations.</td></tr><tr><td>Satisfactory (score 50%)</td><td>The methodology is generic and not tailored to the Board. References Global Standards but lacks depth. Some reference to CAATs tools with minimal implementation detail. Limited planning considerations.</td></tr><tr><td>Good (score 85%)</td><td>Methodology is tailored to the Board’s operations and aligned with Global Standards (2025). CAATs are in use with examples of successful implementation. Clear considerations provided for compiling a three-year and annual plan.</td></tr></table>	Non-compliant (score 0%)	No Approach Paper submitted, or methodology does not reference Global Internal Audit Standards. No information on CAATs or planning considerations.	Poor (score 30%)	Approach is unclear or unlikely to meet project objectives. Limited understanding of the Board’s environment. No reference to 2025 Global Standards or meaningful CAATs application. No strategic planning considerations.	Satisfactory (score 50%)	The methodology is generic and not tailored to the Board. References Global Standards but lacks depth. Some reference to CAATs tools with minimal implementation detail. Limited planning considerations.	Good (score 85%)	Methodology is tailored to the Board’s operations and aligned with Global Standards (2025). CAATs are in use with examples of successful implementation. Clear considerations provided for compiling a three-year and annual plan.
Non-compliant (score 0%)	No Approach Paper submitted, or methodology does not reference Global Internal Audit Standards. No information on CAATs or planning considerations.								
Poor (score 30%)	Approach is unclear or unlikely to meet project objectives. Limited understanding of the Board’s environment. No reference to 2025 Global Standards or meaningful CAATs application. No strategic planning considerations.								
Satisfactory (score 50%)	The methodology is generic and not tailored to the Board. References Global Standards but lacks depth. Some reference to CAATs tools with minimal implementation detail. Limited planning considerations.								
Good (score 85%)	Methodology is tailored to the Board’s operations and aligned with Global Standards (2025). CAATs are in use with examples of successful implementation. Clear considerations provided for compiling a three-year and annual plan.								

	Very good (score 100%)	Comprehensive, well-structured, and innovative methodology. Demonstrates deep understanding of public sector audit environment. Provides clear, practical insights on planning, risk management, and CAATs/data analytics. Value-added approaches are included to enhance audit outcomes.	
Total points			100

- (b) Bidders who fail to obtain at least **80 points** in the functionality evaluation will not be shortlisted for Stage 3 (Presentation by Shortlisted Bidders)

STAGE 4: PRESENTATION BY SHORLISTED BIDDERS

Shortlisted bidders will be required to make a formal presentation to the Bid Evaluation Committee as part of the evaluation process. The presentation will allow bidders to demonstrate their understanding of the engagement requirements and their alignment with the IIA Global Internal Audit Standards (2024).

a. Presentation Format and Duration

- i. Each bidder will be allocated 45 minutes, consisting of:
 - 30 minutes for the presentation
 - 15 minutes for a question-and-answer session with the evaluation panel
- ii. Presentations must be delivered by key members of the proposed internal audit team, including the engagement lead.

b. Presentation Content Requirements

Bidders are expected to address the following key areas during their presentation:

Key area	Description/Details	Point allocation
1. Understanding of and Alignment with the New IIA Standards (20 points)	<ul style="list-style-type: none">• Demonstrate in-depth knowledge of the Global Internal Audit Standards (2024), including the five domains, 15 principles, and 52 standards.• Explain how the firm's internal audit methodology has been updated or designed to align with the principles-based and outcomes-focused approach.• Highlight how the proposed engagement will contribute to the organization's governance, risk, and control maturity in light of the new standards.	<ul style="list-style-type: none">• Excellent (fully meet or exceeds all requirements) = 20 points• Good (Meets requirements well, minor room for improvement) = 16 points• Satisfactory (Adequate, but with some gaps) = 10 points• Poor (Significant gaps or issues) = 6 points
2. Methodology and Approach (20 points)	<ul style="list-style-type: none">• Provide a high-level overview of the internal audit methodology, including risk-based planning, audit execution, reporting, and follow-up.• Demonstrate how the approach supports agility, stakeholder engagement, and strategic alignment.• Illustrate how the firm's approach supports a Quality Assurance and Improvement Program (QAIP) and enables continuous improvement.	<ul style="list-style-type: none">• Excellent (fully meet or exceeds all requirements) = 20 points• Good (Meets requirements well, minor room for improvement) = 16 points• Satisfactory (Adequate, but with some gaps) = 10 points• Poor (Significant gaps or issues) = 6 points
3. Technical Team Qualifications and Experience (20 points)	<ul style="list-style-type: none">• Introduce the core audit team and highlight their qualifications, professional certifications (e.g., CIA, CISA), and industry experience.• Provide a breakdown of team roles and	<ul style="list-style-type: none">• Excellent (fully meet or exceeds all requirements) = 20 points• Good (Meets requirements well, minor

Key area	Description/Details	Point allocation
	<p>the value each member brings to the engagement.</p> <ul style="list-style-type: none"> Discuss the team's competencies in strategic thinking, ethics, risk governance, and other areas emphasized in the new standards. 	<p>room for improvement) = 16 points</p> <ul style="list-style-type: none"> Satisfactory (Adequate, but with some gaps) = 10 points Poor (Significant gaps or issues) = 6 points
4. Use of Audit Technology and Innovation (20 points)	<ul style="list-style-type: none"> Describe how technology, data analytics, and automation will be integrated into the audit execution process. Share examples of tools used (e.g., audit management software, visualization platforms, AI-based analytics). Explain how innovation supports efficiency, coverage, and insight generation. 	<ul style="list-style-type: none"> Excellent (fully meet or exceeds all requirements) = 20 points Good (Meets requirements well, minor room for improvement) = 16 points Satisfactory (Adequate, but with some gaps) = 10 points Poor (Significant gaps or issues) = 6 points
5. Pricing Structure and Cost-Effectiveness (10 points)	<ul style="list-style-type: none"> Provide a high-level overview of the proposed fee structure, including fixed fees, hourly rates, and reimbursable costs (if applicable). Demonstrate how the pricing is aligned with the scope, complexity, and value-add of the proposed services. Highlight any cost efficiencies or value-for-money considerations. 	<ul style="list-style-type: none"> Excellent (fully meet or exceeds all requirements) = 10 points Good (Meets requirements well, minor room for improvement) = 8 points Satisfactory (Adequate, but with some gaps) = 5 points Poor (Significant gaps or issues) = 3 points
6. References and Prior Engagements (10 points)	<ul style="list-style-type: none"> Share at least two relevant case studies or client references, particularly for engagements aligned with the new IIA Standards, or within a similar sector. Demonstrate the firm's track record, quality of service, and ability to deliver impactful audit outcomes. Include examples of how past engagements contributed to governance, risk management, or internal control improvements. 	<ul style="list-style-type: none"> Excellent (fully meet or exceeds all requirements) = 10 points Good (Meets requirements well, minor room for improvement) = 8 points Satisfactory (Adequate, but with some gaps) = 5 points Poor (Significant gaps or issues) = 3 points
7. Logistics	<ul style="list-style-type: none"> Bidders will be notified of their presentation date and time in advance. Presentations may be conducted in 	

Key area	Description/Details	Point allocation
	<p>person or virtually, depending on logistical considerations and committee preferences.</p> <ul style="list-style-type: none"> • Presentation materials should be submitted to the WCGRB at least 24 hours prior to the scheduled presentation. 	
Total points		100

- c. Bidders who fail to obtain at least 70 points will not be considered for further evaluation in Stage 5 (Price and B-BBEE).
- d. **Bidders must attend and participate in the scheduled presentation as part of Stage 4 (Presentation by bidders). Even if a bidder achieves the minimum threshold of 80% in the functionality evaluation (Stage 3), failure to attend the presentation will result in automatic disqualification and their bid will not be considered further.**
- e. **Punctuality is required. Bidders who arrive late for their scheduled presentation may, at the sole discretion of the Bid Evaluation Committee, be permitted to present. However, the WCGRB reserves the right to disallow late presentations without further engagement.**

STAGE 5: PRICE AND BBBEE

Evaluation element	Weighting
PRICE	80
BBBEE	20
Total	100

a. Price Evaluation:

- i. A maximum of 80 Points are allocated for the bid with the lowest price. Bid pricing must include 15% VAT and all other related costs.

b. B-BBEE Evaluation:

- i. A maximum of 20 points are allocated depending on the status level of contributor of the bidder.
- ii. Sworn Affidavits and BEE rating certificates are applicable and scoring will be done as per BBBEE Status Level of Contributor stipulated in the Preferential Procurement Regulations (2017) as indicated in the table below:

BBBEE STATUS LEVEL OF	POINTS
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
0	0

18. PRICING INSTRUCTIONS

- a. The WCGRB provided estimated hours below. These estimated hours are merely for evaluation purposes of this tender and shall not be construed by the Tendered as fixed hours nor as to having any right to claim work and/or payment for the estimated hours.
- b. Service Providers are required to provide a breakdown of the average hourly tariff for the following staff members:

Staff Level	Estimated Man Hours Per Annum (Please do not change the estimated hours)	YEAR 1 (1 Oct 2025 – 30 Sep 2026) HOURLY RATE	YEAR 1 (1 Oct 2025 – 30 Sep 2026) TOTAL	YEAR 2 (1 Oct 2026 – 30 Sep 2027) HOURLY RATE	YEAR 2 (1 Oct 2026 – 30 Sep 2027) TOTAL	YEAR 3 (1 Oct 2027 – 30 Sep 2028) HOURLY RATE	YEAR 3 (1 Oct 2027 – 30 Sep 2028) TOTAL	TOTAL OFFER FOR ALL 3 YEARS
Engagement Partner	100							
Senior Manager	0							
Manager	350							
Manager IT	200							
Quality assessor	100							
Assistant manager/Supervisor	300							
Auditor	500							
TOTAL OFFER (EXCL. VAT)								R
ADD VAT @ 15%								R
TOTAL OFFER (INCL. VAT)								R
Anticipated percentage increase in average fees if the contract is extended by one (1) year beyond its original term.								%

- c. Where quantities are given in the pricing schedule, these are provisional and do not necessarily represent the actual amount of work to be done. The quantities of work accepted and certified for payment will be used for determining payments due and not the quantities given in the pricing schedule.
- d. Hourly rates tendered in the pricing schedule shall be final and binding and shall not be subject to any variation throughout the period of the contract, unless so approved by the Board.

- e. The budget for the internal audit plan is set yearly in advance in conjunction with the audit firm. The cost of each audit/review becomes final and binding prior to execution. Any extension of time claim is not accommodated. All overruns shall be for the account of the audit firm unless it is proven that any delay suffered was as a result of the WCGRB.
- f. The Board shall not cover the costs of any disbursements. These are deemed to be included in the hourly rates. This includes travel to and from the WCGRB for the execution of the plan and attendance of official meetings.
- g. Copies of timesheets must be attached to the invoice and will be payable after the relevant project report has been received in the office of the WCGRB's Chief Financial Officer.
- h. The estimate hours per annum listed in the pricing schedule are based on estimates. These hours are not binding on the WCGRB and shall only be used for evaluation purposes. Where the estimated hours are nil (i.e. Senior Manager and Specialists), the hourly rate is still required for contractual purposes should the need for that position arise. These positions are required on an ad hoc basis and therefore, shall not form part of the evaluation.
- i. **SERVICE PROVIDERS ARE REQUIRED TO PROVIDE A SCHEDULE OF ALL OTHER HOURLY RATES OR FEES (NOT INCLUDED IN THE TABLE ABOVE) WHICH WILL BE CHARGED BY THE SERVICE PROVIDER UNDER THIS BID/CONTRACT AND WHICH FEES WILL BE APPLICABLE TO ALL SERVICES TO BE CONDUCTED AS SET OUT IN SECTION 10. THESE OTHER SERVICE FEES MUST BE PROVIDED FOR THE 3-YEAR PERIOD.**

19. VICARIOUS LIABILITY

- a. The service provider shall be held responsible for the conduct of his/her employees and the conduct of his/her sub-contractor's employees for the full duration of the contract.

20. ABSENCE OF OBLIGATION

- a. No legal or other obligation shall arise between the service provider and the WCGRB until such time both parties have signed a formal contract or service level agreement or the award has formally been accepted by the service provider.

21. GENERAL CONDITIONS OF CONTRACT

- a. Any award made to a bidder(s) under this bid is conditional, amongst others, upon –
 - i. The bidder(s) accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which WCGRB is prepared to enter into a contract with the successful Bidder(s).
 - ii. The bidder submitting the General Conditions of Contract to WCGRB together with its bid, duly signed by an authorised representative of the bidder.

22. SERVICE LEVEL AGREEMENT

- a. The successful service provider will be required to conclude a Service Level Agreement (SLA) with the WCGRB upon award or soon after. This SLA will regulate the specific terms and conditions applicable to the services being procured by WCGRB.

23. CONTRACTUAL OBLIGATIONS

- a. In the case of the service provider using sub-contractors, the former will be responsible for ensuring delivery of services from any such sub-contractors and for making any payments to such sub-contractors.
- b. The successful bidder will be subjected to performance evaluations in terms of measuring satisfactory performance. This will be discussed during feedback sessions, which will be scheduled by the Office of the Board.
- c. Bidders are required to fully comply with the relevant SCM Legislative Framework as well as application of regulatory and prescripts. Bidders are also required to take all reasonable steps to protect information, in line with the provisions of the POPIA 4 of 2014.

24. INTELLECTUAL PROPERTY

- a. The WCGRB will take ownership of any reports, any work and other intellectual property that will arise out of this project.

25. SPECIAL CONDITIONS OF THIS BID

WCGRB reserves the right:

- a. To award this tender to a bidder that did not score the highest total number of points, only in accordance with section 2(1)(f) of the PPPFA (Act 5 of 2000)
- b. To negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).
- c. To accept part of a tender rather than the whole tender.
- d. To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid.
- e. To correct any mistakes at any stage of the tender that may have been in the Bid documents or occurred at any stage of the tender process.
- f. To cancel and/or terminate the tender process at any stage, including after the Closing Date and/or after presentations have been made, and/or after tenders have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.
- g. To approach alternative service providers if the appointed travel agent cannot deliver on specific requests.

26. CONFLICT OF INTEREST, CORRUPTION AND FRAUD

- a. WCGRB reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of WCGRB or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity")

- i. engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- ii. seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- iii. makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of WCGRB's officers, directors, employees, advisors or other representatives;
- iv. makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- v. accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- vi. pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- vii. has in the past engaged in any matter referred to above; or
- viii. has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

27. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT

- a. The bidder should note that the terms of its Tender will be incorporated in the proposed contract by reference and that WCGRB relies upon the bidder's Tender as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder.
- b. It follows therefore that misrepresentations in a Tender may give rise to service termination and a claim by WCGRB against the bidder notwithstanding the conclusion of the Service Level Agreement between WCGRB and the bidder for the provision of the Service in question. In the event of a conflict between the bidder's proposal and the Service Level Agreement concluded between the parties, the Service Level Agreement will prevail.

28. PREPARATION COSTS

- a. The Bidder will bear all its costs in preparing, submitting and presenting any response or Tender to this bid and all other costs incurred by it throughout the bid process. Furthermore, no statement in this bid will be construed as placing WCGRB, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of their response to this bid.

29. INDEMNITY

- a. If a bidder breaches the conditions of this bid and, as a result of that breach, WCGRB incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds WCGRB harmless from any and all such costs which WCGRB may incur and for any damages or losses WCGRB may suffer.

30. PRECEDENCE

- a. This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this document by reference.

31. LIMITATION OF LIABILITY

- a. A bidder participates in this bid process entirely at its own risk and cost. WCGRB shall not be liable to compensate a bidder on any grounds whatsoever for any costs incurred or any damages suffered as a result of the Bidder's participation in this Bid process.

32. TAX COMPLIANCE

- a. No tender shall be awarded to a bidder who is not tax compliant. WCGRB reserves the right to withdraw an award made, or cancel a contract concluded with a successful bidder in the event that it is established that such bidder was in fact not tax compliant at the time of the award, or has submitted a fraudulent Tax Compliant Status Verification Certificate to WCGRB, or whose verification against the Central Supplier Database (CSD) proves non-compliant. WCGRB further reserves the right to cancel a contract with a successful bidder in the event that such bidder does not remain tax compliant for the full term of the contract.

33. TENDER DEFAULTERS AND RESTRICTED SUPPLIERS

- a. No tender shall be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. WCGRB reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been blacklisted with National Treasury by another government institution.

34. GOVERNING LAW

- a. South African law governs this bid and the bid response process. The bidder agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

35. RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL

- a. A bidder is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its sub-contractors (if any) and personnel of its sub-contractors comply with all terms and conditions of this bid. In the event that WCGRB allows a bidder to make use of sub-contractors, such sub-contractors will at all times remain the responsibility of the bidder and WCGRB will not under any circumstances be liable for any losses or damages incurred by or caused by such sub-contractors.

36. CONFIDENTIALITY

- a. Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's tender(s) will be disclosed by any bidder or other person not officially involved with WCGRB's examination and evaluation of a Tender.
- b. No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a Tender. This bid and any other documents supplied by WCGRB remain proprietary to WCGRB and must be promptly returned to WCGRB upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived there from.
- c. Throughout this bid process and thereafter, bidder(s) must secure WCGRB's written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

37. WCGRB PROPRIETARY INFORMATION

- a. Bidder will on their bid cover letter make declaration that they did not have access to any WCGRB proprietary information or any other matter that may have unfairly placed that bidder in a preferential position in relation to any of the other bidder(s).

38. AVAILABILITY OF FUNDS

- a. Should funds no longer be available to pay for the execution of the responsibilities of this bid, the WCGRB may terminate the Agreement at its own discretion or temporarily suspend all or part of the services by notice to the successful bidder who shall immediately make arrangements to stop the performance of the services and minimize further expenditure: Provided that the successful bidder shall thereupon be entitled to payment in full for the services delivered, up to the date of cancellation or suspension.

39. PROTECTION OF PERSONAL INFORMATION

- a. A law, known as the Protection of Personal Information Act, 4 of 2013 (POPIA) provides that when one processes another's personal information, such collection, retention, dissemination and use of that person's personal information must be done in a lawful and transparent manner.

- b. In order to give effect to this right, we are under a duty to provide you with a number of details pertaining to the processing of your personal information. These details are housed under the WCGRB Processing Notices, available and accessible on the WCGRB website, <https://www.wcgrb.co.za/notices/>, which Processing Notices we request you kindly download and read.

PRICING SCHEDULE: FIRM PRICES
(Internal Audit Services)

NAME OF BIDDER:

.....

BID NO.: **WCGRB 022526**

CLOSING DATE: **6 October 2025**

CLOSING TIME: **11:00**

OFFER TO BE VALID FOR **60 DAYS** FROM THE CLOSING DATE OF BID.

NOTICE TO BIDDERS

1. Bid pricing must include a total price inclusive of VAT (where applicable).
2. The WCGRB provided estimated hours below. These estimated hours are merely for evaluation purposes of this tender and shall not be construed by the Tendered as fixed hours nor as to having any right to claim work and/or payment for the estimated hours.
3. **Hourly rates tendered in the pricing schedule shall be final and binding and shall not be subject to any variation throughout the period of the contract, unless so approved by the Board.**
4. **SERVICE PROVIDERS ARE REQUIRED TO PROVIDE A SCHEDULE OF ALL OTHER HOURLY RATES OR FEES (NOT INCLUDED IN THE TABLE BELOW) WHICH WILL BE CHARGED BY THE SERVICE PROVIDER UNDER THIS BID/CONTRACT AND WHICH FEES WILL BE APPLICABLE TO ALL SERVICES TO BE CONDUCTED AS SET OUT IN SECTION 10. THESE OTHER SERVICE FEES MUST BE PROVIDED FOR THE 3-YEAR PERIOD.**

5. Service Providers are required to provide a breakdown of the average hourly tariff for the following staff members:

PRICING SCHEDULE								
PLEASE DO NOT AMEND THE ESTIMATED MAN HOUR PER ANNUM								
Staff Level	Estimated Man Hours Per Annum (Please do not change the estimated hours)	YEAR 1 (1 Nov 2025 – 31 Oct 2026) HOURLY RATE	YEAR 1 (1 Nov 2025 – 31 Oct 2026) TOTAL	YEAR 2 (1 Nov 2026 – 31 Oct 2027) HOURLY RATE	YEAR 2 (1 Nov 2026 – 31 Oct 2027) TOTAL	YEAR 3 (1 Nov 2027 – 31 Oct 2028) HOURLY RATE	YEAR 3 (1 Nov 2027 – 31 Oct 2028) TOTAL	TOTAL OFFER FOR ALL 3 YEARS
Engagement Partner	100							
Senior Manager	0							
Manager	350							
Manager IT	200							
Quality assessor	100							
Assistant manager/Supervisor	300							
Auditor	500							
TOTAL OFFER (EXCL. VAT)								R
ADD VAT @ 15%								R
TOTAL OFFER (INCL. VAT)								R
Anticipated percentage increase in average fees if the contract is extended by one (1) year beyond its original term.								%

6. An Excel spreadsheet has been provided to assist bidders in the completion of the Pricing Schedule (WCBD 3.3). Bidders are required to complete the relevant input cells in the spreadsheet and ensure that all pricing information is accurately reflected.

7. Does the offer comply with the specification(s)? **YES / NO**
8. Are the rates quoted firm for the full period of contract? **YES / NO**

PRICING DECLARATION

1. Having read and examined the Bid Document, the General Conditions of Contract, the Terms of Reference, and all other annexures to the Bid Document, we hereby offer to render internal audit services to the WCGRB for a period of three (3) years, with an option to extend for one (1) additional year, or part thereof, in accordance with the specified terms and at the applicable service fees (inclusive of VAT).
2. Where the contract is extended beyond the initial three (3) years, we have indicated the anticipated percentage increase in average fees in the pricing schedule above.
3. We undertake to hold this offer open for acceptance for a period of 60 days from 6 October 2025.
4. We understand that the WCGRB are not bound to accept the lowest or any offer and that we must bear all costs which we have incurred in connection with preparing and submitting this bid.
5. We hereby undertake, for the period during which this bid remains open for acceptance, not to divulge to any persons, other than the persons to which the bid is submitted, any information relating to the submission of this bid or the details therein except where such is necessary for the submission of this bid.

SIGNATURE

PRINT NAME OF SIGNATORY:

FOR AND ON BEHALF OF:

TEL NO:

CELL NO:

EMAIL:



PROVINCIAL GOVERNMENT WESTERN CAPE

DECLARATION OF INTERESTS, BIDDERS PAST SCM PRACTICES AND INDEPENDENT BID DETERMINATION

1. To give effect to the requirements of the Western Cape Provincial Treasury Instructions, 2019: Supply Chain Management (Goods and Services), Public Finance Management Act (PFMA) Supply Chain Management (SCM) Instruction No. 3 of 2021/2022 - SBD 4 Declaration of Interest, Section 4 (1)(b)(iii) of the Competition Act No. 89 of 1998 as amended together with its associated regulations, the Prevention and Combating of Corrupt Activities Act No 12 of 2004 and regulations pertaining to the tender defaulters register, Paragraph 16A9 of the National Treasury Regulations and/or any other applicable legislation.
2. 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.
3. All prospective bidders intending to do business with the Institution must be registered on the Central Supplier Database (CSD) and the Western Cape Supplier Evidence Bank (WCSEB) if they wish to do business with the Western Cape Government (WCG) via the electronic Procurement Solution (ePS).
4. The status of enterprises and persons listed on the National Treasury's Register for Tender Defaulters will be housed on the ePS. Institutions may not under any circumstances procure from enterprises and persons listed on the Database of Tender Defaulters.
5. The status of suppliers listed on the National Treasury's Database of Restricted Suppliers will be housed on the ePS; however, it remains incumbent on institutions to check the National Treasury Database of Restricted Suppliers before the conclusion of any procurement process. For suppliers listed as restricted, institutions must apply due diligence and risk assessment before deciding to proceed with procurement from any such supplier.

6. Definitions

"bid" means a bidder's response to an institution's invitation to participate in a procurement process which may include a bid, price quotation or proposal;

"Bid rigging (or collusive bidding)" occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and/or services through a bidding process. Bid rigging is, therefore, an agreement between competitors;

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“business interest” means -

- (a) a right or entitlement to share in profits, revenue or assets of an entity;
- (b) a real or personal right in property;
- (c) a right to remuneration or any other private gain or benefit, or
- (d) includes any interest contemplated in paragraphs (a), (b) or (c) acquired through an intermediary and any potential interest in terms of any of those paragraphs;

“Consortium or Joint Venture” means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;

“Controlling interest” means, 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;

“Corruption”- General offences of corruption are defined in the Combating of Corrupt Activities Act, 2004 (Act No 12 of 2004) as:

Any person who directly or indirectly -

- (a) accepts or agrees or offers to accept an! gratification from any other person, whether for the benefit of himself or herself or for the benefit of another person; or
- (b) gives or agrees or offers to give to any other person any gratification, whether for the benefit of that other person or for the benefit of another person., in order to act personally or by influencing another person so to act, in a manner—
 - (i) that amounts to the-
 - (aa) illegal. dishonest. unauthorised. incomplete. or biased: or
 - (bb) misuse or selling of information or material acquired in the course of the exercise, carrying out or performance of any powers, duties or functions arising out of a constitutional, statutory, contractual or any other legal obligation:
 - (ii) that amounts to-
 - (aa) the abuse of a position of authority;
 - (bb) a breach of trust; or
 - (cc) the violation of a legal duty or a set of rules;
 - (iii) designed to achieve an unjustified result; or
 - (iv) that amounts to any other unauthorised or improper inducement to do or 45 not to do anything. of the, is guilty of the offence of corruption.

“CSD” means the Central Supplier Database maintained by National Treasury;

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“employee”, in relation to –

- (a) a department, means a person contemplated in section 8 of the Public Service Act, 1994 but excludes a person appointed in terms of section 12A of that Act; and
- (b) a public entity, means a person employed by the public entity;

“entity” means any -

- (a) association of persons, whether or not incorporated or registered in terms of any law, including a company, corporation, trust, partnership, close corporation, joint venture or consortium; or
- (b) sole proprietorship;

“entity conducting business with the Institution” means an entity that contracts or applies or tenders for the sale, lease or supply of goods or services to the Province;

“Family member” means a person's -

- (a) spouse; or
- (b) child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption or some other legal arrangement (as the case may be);

“intermediary” means a person through whom an interest is acquired, and includes a representative or agent or any other person who has been granted authority to act on behalf of another person;

“Institution” means –

a provincial department or provincial public entity listed in Schedule 3C of the Act;

“Provincial Government Western Cape (PGWC)” means

- (a) the Institution of the Western Cape, and
- (b) a provincial public entity;

“RWOEE” means -

Remunerative Work Outside of the Employee's Employment

“spouse” means a person's -

- (a) partner in marriage or civil union according to legislation;
- (b) partner in a customary union according to indigenous law; or
- (c) partner with whom he or she cohabits and who is publicly acknowledged by the person as his or her life partner or permanent companion.

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7. Regulation 13(c) of the Public Service Regulations (PSR) 2016, effective 1 February 2017, prohibits any employee from conducting business with an organ of state, or holding a directorship in a public or private company doing business with an organ of state unless the employee is a director (in an official capacity) of a company listed in schedules 2 and 3 of the Public Finance Management Act.
 - a) Therefore, by 31 January 2017 all employees who are conducting business with an organ of state should either have:
 - (i) resigned as an employee of the government institution or;
 - (ii) cease conducting business with an organ of state or;
 - (iii) resign as a director/shareholder/owner/member of an entity that conducts business with an organ of state.
8. Any legal person, or their family members, may make an offer or offers in terms of this invitation to bid. In view of potential conflict of interest, in the event that the resulting bid, or part thereof, be awarded to family members of persons employed by an organ of state, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where the bidder is employed by the Institution.
9. The bid of any bidder may be disregarded if that bidder or any of its directors abused the institution's supply chain management system; committed fraud or any other improper conduct in relation to such system; disclosure is found not to be true and complete; or failed to perform on any previous contract.
10. Section 4(1)(b)(iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging). Collusive bidding is a per se prohibition meaning that it cannot be justified under any grounds.
11. Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorises accounting officers and accounting authorities to:
 - a) disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b) cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
12. Communication between partners in a joint venture or consortium will not be construed as collusive bidding.

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13. 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.

SECTION A DETAILS OF THE ENTITY		
	CSD Registration Number	MAAA
	Name of the Entity	
	Entity registration Number (where applicable)	
	Entity Type	
	Tax Reference Number	

Full details of directors, shareholder, member, partner, trustee, sole proprietor or any persons having a controlling interest with a right or entitlement to share in profits, revenue or assets of the entity should be disclosed in the Table A below.

TABLE A

FULL NAME	DESIGNATION (Where a director is a shareholder, both should be confirmed)	IDENTITY NUMBER	PERSONAL TAX REFERENCE NO.	PERCENTAGE INTEREST IN THE ENTITY

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SECTION B: DECLARATION OF THE BIDDER'S INTEREST

The supply chain management system of an institution must, irrespective of the procurement process followed, prohibit any award to an employee of the state, who either individually or as a director of a public or private company or a member of a close corporation, seek to conduct business with the WCG, unless such employee is in an official capacity a director of a company listed in Schedule 2 or 3 of the PFMA as prescribed by the Public Service Regulation 13(c).

Furthermore, an employee employed by an organ of state conducting remunerative work outside of the employee's employment should first obtain the necessary approval by the delegated authority (RWOEE), failure to submit proof of such authority, where applicable, may result in disciplinary action.

B1.	Are any persons listed in Table A identified on the CSD as employees of an organ of state? (If yes, refer to Public Service Circular EIM 1/2016 to exercise the listed actions)	NO	YES
B2.	Are any employees of the entity also employees of an organ of state? (If yes complete Table B and attach their approved "RWOEE")	NO	YES
B3.	Are any family members of the persons listed in Table A employees of an organ of state? (If yes complete Table B)	NO	YES

TABLE B

Details of persons (family members) connected to or employees of an organ of state should be disclosed in Table B below.

FULL NAME OF EMPLOYEE	IDENTITY NUMBER	DEPARTMENT/ ENTITY OF EMPLOYMENT	DESIGNATION/ RELATIONSHIP TO BIDDER**	INSTITUTION EMPLOYEE NO./ PERSAL NO. (Indicate if not known)

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SECTION C: PERFORMANCE MANAGEMENT AND BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

To enable the prospective bidder to provide evidence of past and current performance.

C1.	Did the entity conduct business with an organ of state in the last twelve months? (If yes complete Table C)	NO	YES
------------	--	----	-----

C2. TABLE C

Complete the below table to the maximum of the last 5 contracts.

NAME OF CONTRACTOR	PROVINCIAL DEPARTMENT OR PROVINCIAL ENTITY	TYPE OF SERVICES OR COMMODITY	CONTRACT/ ORDER NUMBER	PERIOD OF CONTRACT	VALUE OF CONTRACT
C3. Is the entity or its principals listed on the National Database as companies or persons prohibited from doing business with the public sector?					NO YES
C4. Is the entity or its principals listed on the National Treasury Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No. 12 of 2004)?					NO YES
(To access this Register enter the National Treasury's website, www.treasury.gov.za , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 326 5445.)					
C5. If yes to C3 or C4, were you informed in writing about the listing on the database of restricted suppliers or Register for Tender Defaulters by National Treasury?				NO	YES N/A
C6. Was the entity or persons listed in Table A convicted for fraud or corruption during the past five years in a court of law (including a court outside the Republic of South Africa)?					NO YES
C7. Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?					NO YES

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SECTION D: DULY AUTHORISED REPRESENTATIVE TO DEPOSE TO AFFIDAVIT

This form must be signed by a duly authorised representative of the entity in the presence of a commissioner of oaths.

I, hereby swear/affirm;

- i. that the information disclosed above is true and accurate;
- ii. that I have read understand the content of the document;
- iii. that I have arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.
- iv. that the entity undertakes to independently arrive at any offer at any time to the Institution without any consultation, communication, agreement or arrangement with any competitor. In addition, that there will be no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specification, 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;
- v. that the entity or its representative are aware of and undertakes not to disclose the terms of any bid, formal or informal, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract; and
- vi. that there have been no consultations, communications, agreements or arrangements made 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 that my entity was not involved in the drafting of the specifications or terms of reference for this bid.

.....
DULY AUTHORISED REPRESENTATIVE'S SIGNATURE

I certify that before administering the oath/affirmation I asked the deponent the following questions and wrote down his/her answers in his/her presence:

- 1.1 Do you know and understand the contents of the declaration? ANSWER:
- 1.2 Do you have any objection to taking the prescribed oath? ANSWER:
- 1.3 Do you consider the prescribed oath to be binding on your conscience? ANSWER:.....
- 1.4 Do you want to make an affirmation? ANSWER:
2. I certify that the deponent has acknowledged that he/she knows and understands the contents of this declaration, which was sworn to/affirmed and the deponent's signature/thumbprint/mark was place thereon in my presence.

.....
 SIGNATURE FULL NAMES Commissioner of Oaths

Designation (rank) ex officio: Republic of South Africa

Date:..... Place

Business Address:

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 AND IN TERMS OF THE WESTERN CAPE GOVERNMENTS INTERIM STRATEGY AS IT RELATES TO PREFERENCE POINTS

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

NB: BEFORE COMPLETING THIS FORM, BIDDERS (TENDERERS) MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER, PREFERENTIAL PROCUREMENT REGULATIONS, 2022 AND THE BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT AND THE CODES OF GOOD PRACTICE

1. DEFINITIONS

- 1.1 **“acceptable tender”** means any tender which, in all respects, complies with the specifications and conditions of tender as set out in the tender document.
- 1.2 **“affidavit”** is a type of verified statement or showing, or in other words, it contains a verification, meaning it is under oath or penalty of perjury, and this serves as evidence to its veracity and is required for court proceedings.
- 1.3 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 1.4 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 1.5 **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 1.6 **“bid”** means a written offer on the official bid documents or invitation of price quotations and **“tender”** is the act of bidding /tendering;
- 1.7 **“Code of Good Practice”** means the generic codes or the sector codes as the case may be;
- 1.8 **“consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- 1.9 **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

- 1.10 **"EME"** is an Exempted Micro Enterprise with an annual total revenue of R10 million or less.
- 1.11 **"Firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 1.12 **"Large Enterprise"** is any enterprise with an annual total revenue above R50 million;
- 1.13 **"non-firm prices"** means all prices other than "firm" prices;
- 1.14 **"person"** includes a juristic person;
- 1.15 **"price" means an amount of money tendered for goods or services, and** includes all applicable taxes less all unconditional discounts;
- 1.16 **"proof of B-BBEE status level contributor"** means-
- (a) The B-BBEE status level certificate issued by an authorized body or person;
 - (b) A sworn affidavit as prescribed in terms of the B-BBEE Codes of Good Practice; or
 - (c) Any other requirement prescribed in terms of the Broad- Based Black Economic Empowerment Act.
- 1.17 **QSE** is a Qualifying Small Enterprise with an annual total revenue between R10 million and R50 million;
- 1.18 **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- 1.19 **"sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract.
- 1.20 **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- 1.21 **"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;
- 1.22 **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- 1.23 **"the Regulations"** means the Preferential Procurement Regulations, 2022;

- 1.24 **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 11 October 2013;
- 1.25 **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 1.26 **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

2. GENERAL CONDITIONS

- 2.1 The following preference point systems are applicable to all bids:
- 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).
- 2.2 Preference point system for this bid:
- (a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the preference point system shall be applicable; or
- (b) Either the 80/20 or 90/10 preference point system will be applicable to this tender
(delete whichever is not applicable for this tender).
- 2.3 Preference points for this bid (even in the case of a tender for income-generating contracts) shall be awarded for:
- (a) Price; and
- (b) B-BBEE Status Level of Contribution.
- 2.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	
B-BBEE STATUS LEVEL OF CONTRIBUTOR	
Total points for Price and B-BBEE must not exceed	100

- 2.5 Failure on the part of a bidder to fill in, sign this form and submit in the circumstances prescribed in the Codes of Good Practice either a B-BBEE Verification Certificate issued by a Verification Agency accredited by the South African Accreditation System (SANAS) or an affidavit confirming annual total revenue and level of black ownership together with the bid or an affidavit issued by Companies Intellectual Property Commission, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

- 2.6 The organ of state reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 Subject to Section 2 (1) (f) of the Preferential Procurement Policy Framework Act, 2000, the **bidder obtaining the highest number of total points** will be awarded the contract.
- 3.2 A tenderer must submit proof of its B-BBEE status level of contributor in order to claim points for B-BBEE.
- 3.3 A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE will not be disqualified but will only score:
- (a) points out of 80 for price; and
 - (b) 0 points out of 20 for B-BBEE
- 3.4 Points scored must be rounded off to the nearest 2 decimal places.
- 3.5 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.6 As per section 2 (1) (f) of the Preferential Procurement Policy Framework Act, 2000, the contract may be awarded to a bidder other than the one scoring the highest number of total points based on objective criteria in addition to those contemplated in paragraph (d) and (e) of the Act that justifies the award to another tenderer provided that it has been stipulated upfront in the tendering conditions.
- 3.7 Should two or more bids be equal in all respects; the award shall be decided by the drawing of lots.

4. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

4.1 POINTS AWARDED FOR PRICE

4.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEM

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

80/20	or	90/10
$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	or	$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$

Where

P_s = Points scored for price of bid under consideration

P_t = Price of tender under consideration

P_{\min} = Price of lowest acceptable tender

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

5.1 POINTS AWARDED FOR PRICE

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

80/20

or

90/10

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

$$Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

or

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

6. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

- 6.1 In terms of WCG interim strategy, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 6.2 An **EME** must submit a valid, originally certified affidavit confirming annual turnover and level of black ownership or an affidavit issued by Companies Intellectual Property Commission
- 6.3 A **QSE that is less than 51 per cent (50% or less) black owned** must be verified in terms of the QSE scorecard issued via Government Gazette and submit a valid, original or a legible certified copy of a B-BBEE Verification Certificate issued by SANAS.
- 6.4 A **QSE that is at least 51 per cent black owned (51% or higher)** must submit a valid, originally certified affidavit confirming turnover and level of black ownership as well as declare its empowering status or an affidavit issued by Companies Intellectual Property Commission.

- 6.5 A **large enterprise** must submit a valid, original or originally certified copy of a B-BBEE Verification Certificate issued by a verification agency accredited by SANAS.
- 6.6 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 6.7 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE status level verification certificate for every separate tender.
- 6.8 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

7. BID DECLARATION

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

8. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPH 6

- 8.1 B-BBEE Status Level of Contribution..... = **(maximum of 20 points)**

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 6.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or an affidavit confirming annual total revenue and level of black ownership in terms of the relevant sector code applicable to the tender.

9. SUB-CONTRACTING

- 9.1 Will any portion of the contract be sub-contracted? **YES/NO** (delete which is not applicable)

- 9.1.1 If yes, indicate:

(i) what percentage of the contract will be subcontracted?%

(ii) the name of the sub-contractor?

(iii) the B-BBEE status level of the sub-contractor?

(iv) whether the sub-contractor is an EME or QSE? **YES/NO** (delete which is not applicable)

- 9.1.2 Sub-contracting relates to a **particular** contract and if sub-contracting is applicable, the bidder to state in their response to a particular RFQ that a portion of that contract will be sub-contracted.

10. DECLARATION WITH REGARD TO COMPANY/FIRM

10.1 Name of company/ entity:

10.2 VAT registration number:

10.3 Company Registration number:

10.4 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

[SELECT APPLICABLE ONE]

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

- (a) The Western Cape Government reserves the right to audit the B-BBEE status claim submitted by the bidder.
- (b) As set out in Section 13O of the B-BBEE Act as amended, any misrepresentation constitutes a criminal offence. A person commits an offence if that person knowingly:
 - (i) misrepresents or attempts to misrepresent the B-BBEE status of an enterprise;
 - (ii) provides false information or misrepresents information to a B-BBEE Verification Professional in order to secure a particular B-BBEE status or any benefit associated with compliance to the B-BBEE Act;
 - (iii) provides false information or misrepresents information relevant to assessing the B-BBEE status of an enterprise to any organ of state or public entity; or
 - (iv) engages in a fronting practice.
- (c) If a B-BBEE verification professional or any procurement officer or other official of an organ of state or public entity becomes aware of the commission of, or any attempt to commit any offence referred to in paragraph 10.5 (a) above will be reported to an appropriate law enforcement agency for investigation.

- (d) Any person convicted of an offence by a court is liable in the case of contravention of 10.5 (b) to a fine or to imprisonment for a period not exceeding 10 years or to both a fine and such imprisonment or, if the convicted person is not a natural person to a fine not exceeding 10 per cent of its annual turnover.
- (e) The purchaser may, if it becomes aware that a bidder may have obtained its B-BBEE status level of contribution on a fraudulent basis, investigate the matter. Should the investigation warrant a restriction be imposed, this will be referred to the National Treasury for investigation, processing and imposing the restriction on the National Treasury's List of Restricted Suppliers. The bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, may 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.
- (f) The purchaser may, in addition to any other remedy it may have –
 - (i) disqualify the person from the bidding process;
 - (ii) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (iii) 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; and
 - (iv) forward the matter for criminal prosecution.
- (g) The information furnished is true and correct.
- (h) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 2 of this form.

SIGNATURE(S) OF THE BIDDER(S):

DATE:

ADDRESS:

.....

WITNESSES:

1.

2.

CONTRACT FORM - PURCHASE OF GOODS/WORKS/SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works /services described in the attached bidding documents to (name of institution)..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax compliance status;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claims for Broad-Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2022 and in terms of the Western Cape Governments interim strategy as it relates to preference points [WCBD 6.1];
 - Declaration of Interest; Declaration of bidder's past SCM practices and Certificate of Independent Bid Determination [WCBD 4];
 - Special Conditions of Contract;
 - (ii) *General Conditions of Contract; and*
 - (iii) *Other (specify)*
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.

5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)
CAPACITY
SIGNATURE
NAME OF FIRM
DATE

WITNESSES	
1
2.
DATE:

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

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.

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

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. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

	(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	<p>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</p> <p>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.</p>
32. Taxes and duties	<p>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.</p> <p>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.</p> <p>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.</p>
33. National Industrial Participation Programme (NIP)	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	<p>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).</p> <p>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.</p>

- 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.

Js General Conditions of Contract (revised July 2010)

List of returnable documents

Document Description	Please tick if enclosed
Signed Invitation to Bid (WCBD 1)	
Envelope A Requirements	
Envelope B Requirements	
Pricing Schedule (WCBD 3.3)	
Declaration of Interest, Bidders Past SCM Practices and Independent Bid Determination (WCBD 4)	
Preference Point Claim Form (WCBD 6.1)	
Contract Form (WCBD7.1 – Part 1)	