



REQUEST FOR PROPOSAL

Procurement Number: BOCMA RFP 2025/01

Provision of External Audit Services for the Breed Olifants Catchment Management Agency (BOCMA) for the 3-year periods (2024/2025, 2025/2026, 2026/2027)

DOCUMENT INFORMATION SHEET

Title of Document	Request for proposal (RFP): External Audit Services for financial years 2024/2025, 2025/2026, 2026/2027
Type of Document	Request for Proposal
Document Number	BOCMA RFP 2025/01
Technical Specifications Prepared	Bid Specification Committee
Department	Finance
Prepared for	Breed-Olifants Catchment Management Agency
Date of Issue (Available)	10th February 2025
Closing Date	05 March 2025 @ 12:00

NAME OF THE BIDDER

Total Tender Price For the period of three years:

PERIOD	YEAR 1	YEAR 2	YEAR 3
FINANCIAL YEARS	(2024/2025)	(2025/2026)	(2026/2027)
AMOUNTS			

EXTERNAL AUDIT SERVICES BOCMA RFP 2025/01

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1. INTRODUCTION

This document provides guidelines to service providers wishing to submit proposals in terms of Request for Proposals 2025/01 – Proposal for External Audit Services for the financial years ending 31 March 2025, 31 March 2026 and 31 March 2027.

2. BACKGROUND

The Breede-Olifants Catchment Management Agency was established in terms of section 78 (1) of the National Water Act 36 of 1998 to manage water resources in Breede-Olifants water management area. The Breede-Olifants Catchment Management Agency is established as a Schedule 3A public entity responsible for the Breede-Olifants Water Management Area (WMA). The Agency reports directly to the Minister of the Department of Water and Sanitation.

The Breede-Olifants Catchment Management Agency is servicing approximately +- sixteen thousand five hundred customers. The Breede-Olifants Catchment Management Agency derives its exchange revenue from providing water resource management services to its customers, mainly Water User Association, Irrigation Board and Municipalities.

Our head office is situated in Worcester and sub-offices is situated in George and Bellville, Western Cape.

As part of performing its mandate and complying with the PFMA, National Treasury Regulations and the Public Audit Act, the entity is hereby inviting suitably and qualified audit firms (preferable registered in terms of the Public Accountant and Auditors Act, whose members belongs to a recognised professional body) to submit their proposals for the provision of External Audit Services. The assignment will be for a duration of three years subject to the Auditor-General approval.

Visit our website for more information: www.breedegouritzcma.co.za

3. OBJECTIVE

The objective of the audit is to provide an independent audit opinion on the annual financial report and performance information of BOCMA for the financial years ending 31 March 2025, 31 March 2026 and 31 March 2027. Provide detailed management report on the outcome and findings after audit within the time of an agreed deadline set to meet Public Finance Management Act reporting deadlines.

4. TERM OF THE AUDIT APPOINTMENT

The external Auditors will be appointed to audit three financial periods (2024/2025, 2025/2026 & 2026/2027)

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5. SCOPE OF THE AUDIT

The appointed firm will be required to:

- Plan effective audit process
- Perform an audit of annual financial statements and assess accounts for accuracy and regulatory compliance
- Inspect internal control systems
- Assess risk management tactics
- Report systematic errors or fraud indicators
- Perform an audit on performance information
- Express an audit opinion on the financial statements in compliance with GRAP and other relevant legislation.
- Perform audits in compliance with Generally Recognized Accounting Practices (GRAP)
- Work in conjunction with the internal auditors to provide combined assurance to the BOCMA on the effectiveness of the internal control systems
- Communicate audit findings to management and ensure they are fully aware of the implications to the operations of the BOCMA
- Review both non-financial and financial information in the annual report prior to publishing
- Provide a final audit report with clear recommendations to management and the governing board
- The external audit may be required to rely on the work of internal audit where applicable
- The auditor is expected to test all audit assertions
- The audit must be performed in compliance with the Auditor General of South Africa's standards
- Pre-issuance review may be performed on the final audit file

6. EXTERNAL AUDIT DELIVERABLES

The external auditor will be expected to do the following upon appointment:

- Submit a detailed Audit Planning Memorandum
- Submit a detailed budget in line with the Audit Planning Memorandum
- Issue Draft and final audit report
- Present Final External Audit Report to the Audit Committee and Governing Board
- Submit audit strategy for approval
- Communication of detailed audit findings
- The auditor must be independent reporting to the audit committee and Governing Board
- The auditor is expected to have regular meetings with the management and accounting officer
- The auditor is expected to attend audit committee meetings through the invites

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7. TECHNICAL COMPETENCY REQUIREMENTS

External Auditors must meet the technical competency requirements stated below:

- The External Auditor must be registered in terms of the Public Audit Act as an Accountant and Auditor and engaged in public practice (registration with SAICA- South African Institute of Chartered Accountants and IRBA- Independent Review Board of Auditors).
- Evidence of dedicated resources available to the External Auditor for the duration of the contract, qualifications, and experience of such resources, (Attached CV's, qualifications, of all involved in the project).
- Profiles of the audit firm (Reference letters should be attached to the proposals).

8. HOURS, FEES, AND EXPENDITURE

The External Auditor will be required to provide the following details:

- Fees for completing the audit in accordance with the specification and with reference to different levels of proposed to be utilized;
- The total cost of executing the project must be reflected
- Use Pricing schedule (**Annexure B**)

NOTE: NO VARIATION TO THE ACCEPTED PROPOSAL WILL BE ACCEPTED

9. TERMS AND CONDITIONS

The following conditions should be noted by External Auditors:

- The External Auditor shall not and has no right to assign the audit to third parties;
- The External Auditor shall not be engaged by the BOCMA to undertake any financial consultancy with the BOCMA that requires the preparation of financial information that will be the subject of the annual audit;
- The external Auditor shall confirm that they are and shall maintain during the duration of the audit term total independence relating to the Board.
- The external Auditor is expected to declare any possible conflict of interest

10. EXTERNAL AUDITORS' INDEPENDENCE

The External Auditor is required to certify that they are independent of the BOCMA and nothing has transpired that would compromise their independence during the conduct of the audit by completing **Annexure A**.

11. SECURITY CLEARANCE OF THE BIDDER

Supplier information and good standing will be verified with National Treasury database to determine whether the bidder is not listed on the restricted Suppliers for tender defaulters.

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12. REGULATORY REGISTRATION

This bid is only open to bidders who meet the following criteria:

- a) Registered with the Independent Regulatory Board of Auditors (IRBA), as required in terms of the Auditing Profession Act, 26 of 2005. The bidder must provide proof of registration (i.e. registration document/certificate or registration number).
- b) Approved by the Prudential Authority to provide external services without limitations. The bidder must provide proof of approval (i.e. approval document/certificate).
- c) Bidder is operating a training office that is registered with the South African Institute of Chartered Accountants (SAICA). The bidder must provide proof of registration (i.e. registration document/certificate or registration number).
- d) The signing partner(s) and/or director(s) are registered with the South African Institute of Chartered Accountants (SAICA) and Independent Regulatory Board of Auditors (IRBA). The bidder must provide proof of registration (i.e. registration document/certificate or registration number).
- e) The manager(s) is registered with the South African Institute of Chartered Accountants (SAICA). The bidder must provide proof of registration (i.e. registration document/certificate or registration number).

13. EXPERIENCE

This bid is only open to bidders who meet the following criteria:

- a) Demonstrate that they have at least four (4) years external audit experience in the public sector (organs of state governed by the Public Finance Management Act).
- b) Completed and signed reference for at two (2) public sector clients with similar size to the BOCMA (Include their contact numbers). The reference must not be for a period older than five (5) years from the closing date of this bid.
- c) Has a signing partner(s) and/or director(s) who has experience in auditing clients who are subjected to PFMA in the past three (3) years.
- d) Has a manager(s) who has experience in auditing clients who are subjected PFMA regulations in the past three (3) year

14. CONTENT OF THE PROPOSAL

The proposal must include the following:

- a) Company profile and relevant experience.
- b) Proof to claim specific goals (BBBEE, Certified ID Copy, Letter from Doctor confirming Disability)
- c) Details of experience in carrying out projects of this nature (supply evidence where possible), preferably in the public sector
- d) Valid tax clearance certificate/ Tax Compliance Pin
- e) Company registration documents.
- f) At least three contactable reference letters
- g) Geographic representation in South Africa.
- h) Proposed methodology and approach to be used in keeping with the scope of work
- i) Composition of the project team and a brief CV of each member of the proposed team (qualifications, experience, and expertise).
- j) Evidence of registration with SAICA and IRBA.

- k) Last audited/independently reviewed annual financial statements for the last two (2) financial years.
- l) The pricing/costing schedule as per **Annexure B**.
- m) Pricing must be inclusive of VAT.

Other important conditions:

- The prospective service provider/firm is responsible for all costs incurred in the preparation and submission of the proposal.
- The successful service provider will enter into a formal contract with the BOCMA and will be required annually to submit an audit planning memorandum for approval by the Audit and Risk Committee.
- By accepting to take part in the proposal process, you agree to keep all information shared with you in relation to the proposal process confidential, not to disclose it to third parties, and not to use it for purposes other than the proposal.
- The BOCMA reserves the right not to award this contract.
- The BOCMA reserves the right to disregard a firm's proposal should it be found that work was previously undertaken for the BOCMA where poor performance was noted during the execution of such contract in the last 5 years.
- Should the bidder present information that is intentionally incorrect/fraudulent, their proposal will be disqualified.
- It is the responsibility of prospective service providers to ensure that their proposal is submitted before the closing date

15. ENQUIRIES AND SUBMISSION

- All enquiries must be made in writing and will be responded to during office hours (08:00 to 16:00, Monday to Friday).
- Administrative enquiries :
Noxolo Mafanya: Telephone (023) 346 8000 / E-mail nmafanya@bocma.co.za
- Technical Enquiries :
Gerhard De Bruijn : Téléphone (023 346 8000/ Email : gdebruijn@bocma.co.za and Aureca Jansen Email : ajansen@bocma.co.za
- Proposals should be submitted by not later than **05 March 2025** at 12:00 in **hard copy format** in a sealed envelope.
- Post it to: **Attention: Acting: Chief Executive Officer, BOCMA RFP 2025/01; Proposal for External Audit; Private Bag X 3055, Worcester, 6850 OR**
- **Cnr Mountain Mill and East Lake Roads, Worcester, 6850**
- Proposals not meeting the submission requirements or submitted after the due date will be disqualified.
- Service providers must submit five (5) hard copies of the proposal.
- One hard copy must be the original submission, clearly marked "Original" and the remaining hard copies can be copied versions of the original.

16. PAYMENT STRUCTURE

Payment will be made in phases based on the following deliverables:

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Deliverables Phases	Description
Phase 1	Planning Phase
Phase 2	Execution Phase
Phase 3	Draft Audit Report
Phase 4	Final Audit Report

NB: Execution of the audit can be broken down into various stages.

17. EVALUATION

The BOCMA will apply the principles of the Preferential Procurement Regulations (2022) to this proposal.

The evaluation of the proposals will be based on the 80/20 PPPFA principle and will be done in three (3) phases, namely:

- Pre-qualifications
- Functionality
- Pricing & Specific goals

Phase 1 – Pre-qualification Evaluation

ADMINISTRATIVE REQUIREMENTS

The information contained in the Table below will be used in assessing the responsiveness of bidders.

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DESCRIPTION	MINIMUM PROOF REQUIRED	TICK SUPPLIED	
		YES	No
Tax Compliance Status	CSD Tax Compliance and Tax Clearance PIN		
	Proof of CSD registration number		
Completed and signed Compulsory Declaration of Interest Form			
SBD1	Completed, signed and submitted		
SBD 3.3	Completed, signed and submitted		
SBD 4	Completed, signed and submitted		
SBD 6.1	Completed, signed and submitted		
Company registration certificate CIPRO / CIPC	Company registration documents / certificate from CIPRO / CIPC		
Company profile	Detailed company profile		
Company Resolution	Submitted and Signed		
Financial Statements (valid year is between (2021/2022; 2022/2023; and 2023/2024)	Financial Statement for the last three financial years (Financial statement signed off by an independent professional accountant)		

Valid COIDA certificate	Valid COIDA certificate		
Declaration of Tenderer Is the form duly completed and signed?	Declaration of Tenderer Is the form duly completed and signed?		
Minimum qualification, Academic Certificates, CA (SA) designation	Proof of academic certificates, certification of CA/SA with SAICA		
The Audit firms must be registered with the Independent Regulatory Board for Auditors	Proof of registration certificates with IRBA/ IRBA registration number to prove active membership		
IRBA inspection report/results	Proof of inspection report/results		

MANDATORY REQUIREMENTS:

DESCRIPTION	MINIMUM PROOF REQUIRED	TICK SUPPLIED	
		YES	No
SBD 3.3	Completed, signed and submitted (Price indicated in this document may not be changed after closing date)		

Phase 2 Functionality:

Functionality Compliance

The evaluation of the technical part of the proposal will be on the basis of the candidate's responsiveness to the terms of reference, as well as the application of the evaluation criteria and points system as indicated below. Bidders must score at least 70 out of 100 in respect of functionality to qualify for advancement to Phase 3. A bidder that scores less than 70 out of 100 will be regarded as submitting a non-responsive bid and will be disqualified. Bidders who fail to obtain a minimum score for each criterion will be disqualified.

1 = poor, 2 = average, 3 = good, 4 = very good, and 5 = excellent

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Functionality evaluation will be based on the following criteria:

	Functionality	Criteria/ Guide (1-5)	Max Weight	Bidder Scores
1. Company Experience	Company profile including demonstrated experience in providing external audit services in the public sector, with a minimum of three traceable reference letters from the previous public sector, clients relevant to this tender including the start and completion dates of the external audit contracts . Failure to include the start and end dates will result in the reference letter not being considered. Only a completed year/s of experience will be considered. Years will be calculated consecutively, not cumulatively for each client. The reference letters should be on the client's letterhead making the below experience. Subcontracting experience will not be considered.		35	
	3 years external audit experience	1		
	4 to 5 years external audit experience	2		
	6 to 7 years external audit experience	3		
	8 to 10 years external audit experience	4		
	>10 years external audit experience	5		
2. Team Capabilities	Attach resumes of each key project team member indicating qualifications, experience, accreditation / affiliation (where relevant) Schedule of similar work (list the works related to the project). Bidders must submit the following academic qualification and proof of registration where professional bodies are required:			
	2.1 Project Director/Partner: The project director/partner must be a qualified chartered accountant (CA/SA) with the following years of experience in overseeing external audit related projects in the public sector. The must be a registered auditor with IRBA. Only completed year/s will be considered. Please include the resume.		10	
	3 years external audit experience	1		
	4 to 5 years external audit experience	2		
	6 to 7 years external audit experience	3		
	8-10 years external audit experience	4		
	>10 years external audit experience	5		
	2.2 Audit Manager: The audit Manager must be a qualified chartered accountant (CA/SA) with the following years of experience in managing external audit-related projects in the public sector. Only completed year/s will be considered. Please include the resume.		10	
	3 years external audit experience	1		
	4 to 5 years external audit experience	2		
	6 to 7 years external audit experience	3		
	8 to 9 years external audit experience	4		

	10 years and more external audit experience	5		
	2.3 Assistant Audit Manager: The audit Manager must have a postgraduate diploma in accounting sciences (CTA) with the following years of experience in executing external audit-related projects in the public sector. Only completed year/s will be considered. Please include the resume		10	
	3 year external audit experience	1		
	4 to 5 years external audit experience	2		
	6 to 7 years external audit experience	3		
	8 to 9 years external audit experience	4		
	10 years and more external audit experience	5		
	2.4 Trainees/ Article Clerk: The trainees or article clerks must be studying towards a postgraduate diploma in accounting sciences (CTA) with the following years of experience as trainees. Only completed year/s will be considered. Please include the resume		5	
	1 year external audit experience	1		
	2 years external audit experience	2		
	3 years external audit experience	3		
	4 years external audit experience	4		
	5 years and more external audit experience	5		
	Indicate the role of each team member in the audit process			
3. Project/ Audit plan and methodology	Project/ Audit plan and methodology			
	Project / Audit plan and audit methodologies in line with the task description outlined under project scope/ task description, with clear milestones and timeframes for each task to be completed. Audit methodology should be properly outlined (please refer to the scope of work).		30	
	No project/audit plan and audit methodology	1		
	Project/Audit plan provided with no clear deliverables, audit methodology & timeframes/milestones.	2		
	Project/Audit plan provided with clear deliverables, audit methodology & timeframes/milestones	3		
	Project/Audit plan provided with audit methodology, deliverables, timeframe/milestone & management of the project. A sample/example of detailed audit report and audit strategy.	4		

	Project/Audit plan well broken down with methodology, deliverables, timeframe/milestone, quality assurance & management of the project including staff deployment to each activity/deliverables. A sample/example of a detailed audit report and audit strategy.	5		
	All documents in support of the various sections above must be submitted to claim the maximum. Missing or incomplete documentation will result in a zero score for the relevant section.			
	TOTAL		100	

Phase 3 Price and Specific:

All proposals will be evaluated on the 80/20 preferential point system in accordance with the provision of the Preferential Procurement Policy Framework Act No. 5 of 2000 and the Preferential Procurement Regulations (2022).

The value of this tender is not expected to exceed R50 000 000 therefore:

The following 80/20 preferential point system will be used for the evaluation of the proposals:

In terms of the Preferential Procurement Regulations 2022, a maximum of 20 points may be awarded to a tenderer for the specific goals specified for the tender and a maximum of 80 points will be allocated to tenderer for pricing. Points scored for specific goals will be added to points scored for price and the total will be rounded off to the nearest two decimal places. Services providers are required to complete SBD 6.1, Table 1 to claim specific goals points under the column named 80/20 number of points allocated. Failure to complete table 1 of SBD 6.1 will mean that no points for specific goals will be allocated to a bidder and a service provider will only receive points for price only. The documents to verify specific goals are mandatory when the tenderers are claiming specific goals

Quantitative Assessment

Bids that achieve the minimum technical requirement will be further adjudicated on Price and Specific Goals. The method of scoring Financial Proposals and the Specific Goals is described in the attached Preference Points Claim document (SBD 6.1)

The allocation of tender adjudication points for this Contract shall be as follows:

Area of Adjudication	Maximum Points
Pricing	80
Specific Goals	20
Total Points (S)	100

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Specific Goals:

Evaluation Element	Weighting / Points Specific Goals
Enterprise is 51% or more Black Woman Owned	10
Enterprise owned by people with disability or Youth	5
Enterprise is 51 % or more Black owned	5
Maximum points	20

Please provide proof for specific goals.

Failure to submit proof for specific goals will not disqualify you but you will not score any points for specific goals.

The following documents will be used as verification documents.

1. BEE Certificate / Affidavit
2. Certified Identity Document
3. Letter from the Doctor confirming Disability

18. SPECIFIC CONDITIONS

Respondents should complete all the returnable SCHEDULEs/SBD forms listed below.

19. ANNEXURES AND RETURNABLE SCHEDULES

(All ANNEXUREs and returnable schedules must be completed and returned by the Supplier(s) when submitting the bid.)

ANNEXURE A: CONFIRMATION OF INDEPENDENCE
ANNEXURE B: PRICING/COSTING FOR EXTERNAL AUDIT SERVICES SCHEDULE
RETURNABLE SCHEDULE 1: Invitation to Bid (SBD 1)
RETURNABLE SCHEDULE 2: Pricing schedule (SBD 3.3)
RETURNABLE SCHEDULE 3: Declaration of Interest (SBD 4)
RETURNABLE SCHEDULE 4: Preference Points Claim Form (SBD 6.1)

TERMS AND GENERAL CONDITIONS

- (a) All submissions must be received by the Breede-Olifants Catchment Management Agency no later **05 March 2025 @ 12:00**. Respondents must submit their proposals before the closing date and time. No late submissions will be considered;
- (b) All submissions and subsequent information received will become the property of the Breede-Olifants Catchment Management Agency and will not be returned;
- (c) Failure to complete all supplementary information will result in submissions being deemed null and void and shall be considered “non-responsive” and therefore not considered;
- (d) Telegraphic, telexed, faxed or e-mailed submissions will not be accepted;
- (e) Respondents or their representatives (including the courier services) must ensure that they register their submissions in the Lodging Sheet at the Reception Desk of the above-mentioned Breede-Olifants CMA Office, wherein they will indicate the name of the person delivering the submission, the number of copies submitted, the time and date of submission and sign the document;
- (f) The contact persons reflected above shall be the only point of contact for this contract. Failure to observe this requirement might lead to immediate disqualification of the respondent;
- (g) The Breede-Olifants CMA reserves the right not to accept any submission;
- (h) Bidders must comply with Regulation 13(c) of the Public Service Regulations, 2016 which states that “an employee in the public service shall not conduct business with any organ of state or be a director of a public or private company conducting business with an organ of state, unless such employee is in an official capacity a director of a company listed in ANNEXURE 2 and 3 of the PFMA”;
- (i) Submission of a Request for Proposal and its subsequent receipt by the Breede-Olifants CMA does not represent a commitment on the part of the Breede-Olifants CMA to proceed further with any Respondent or any project;
- (j) No costs incurred by the Respondents in the preparation of their submission will be reimbursed;
- (k) Public Liability - Breede-Olifants CMA shall not be liable in respect of any claims, damages, accidents, etc. to persons, properties, vehicle rights, etc. that may arise from the carrying out of this contract;
- (l) Tender prices must remain valid for a period of one hundred and twenty (120) days (calculated from closing date of the bid).

DISQUALIFICATION

- a) It must be stressed that any queries relating to this request for administration must be addressed only to nmafanya@bocma.co.za, who are identified as contact persons for this contract; Ms Noxolo Mafanya

at Supply Chain Management Unit Contact Number: 023 – 346 8000. The queries must be in writing addressed to the above-mentioned officials. The queries must be sent to the above-mentioned officials before

Respondents are not to communicate in any manner or form whatsoever with members of Breede-Olifants Catchment Management Agency's personnel about the RFP until the preferred Supplier(s) has been selected and the procurement process completed;

- b) Respondents are advised that should there be any contact with Breede-Olifants Catchment Management Agency's staff and the Adjudication Team which could in any way be seen or deemed to constitute a conflict of interest, bribe or otherwise influence the process and the outcome thereof, will result in immediate disqualification;

Misrepresentation of information presented to the Breede-Olifants Catchment Management Agency, be it on capability statement or empowerment credentials will also lead to disqualification of the respondent

ANNEXURE A: CONFIRMATION OF INDEPENDENCE

From: (Name of Audit firm and address)

To: Breede-Olifants Catchment Management Agency
Corner of Mountain Mill and East Lake Roads
Worcester
6850

Date: _____

LETTER OF CONFIRMATION OF INDEPENDENCE FROM THE BREEDE-OLIFANTS CATCHMENT MANAGEMENT AGENCY (BOCMA)

[Insert firm's name] hereby confirms that independence and ethical requirements by all team members proposed for this assignment, will be communicated during the planning, fieldwork, and finalisation phases of the audit, and will be monitored on a continuous basis.

I hereby confirm that our firm is independent of the BOCMA in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa.

I hereby confirm that **[insert firm's name]** currently does not do, nor have we done any work for the BOCMA which may result in a direct conflict of interest.

I hereby confirm that there is no conflict of interest between the BOCMA and any of the staff members to be involved in the audits. The capabilities and competence of the staff to be on the audit was assessed and found to be sufficient.

I further confirm that none of the directors of our firm sits on any audit or advisory committees of the BOCMA.

I hereby confirm that **[insert firm's name]** has not been subject to any issues regarding ethical misconduct and the firm is currently not involved in any scandals which may impact our reputation.

Yours sincerely,

NAME AND SIGNATURE OF AUDIT PARTNER

**ANNEXURE B:
PRICING/COSTING FOR EXTERNAL AUDIT SERVICES SCHEDULE
YEAR 1**

COMPANY DETAILS	
Name of firm/service provider	
Representative/contact person	
Contact details	
Telephone/Mobile	
E-mail address	

PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE				
Designation	Quantity	Rate Per Hour	Total Hours	Total Costs
Sub Total				
VAT				
Total for the year				

NB: The pricing must all inclusive of travel, accommodation and any other relevant cost associated with the audit.

NB: Payment will be made based on deliverables.

NB: The total budget should be able cover all the necessary cost of executing the audit. It is important that the budgeted hours and relevant cost addresses the scope of work as no variation of scope of work will be permitted.

**ANNEXURE B:
PRICING/COSTING FOR EXTERNAL AUDIT SERVICES SCHEDULE
YEAR 2**

COMPANY DETAILS	
Name of firm/service provider	
Representative/contact person	
Contact details	
Telephone/Mobile	
E-mail address	

PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE				
Designation	Quantity	Rate Per Hour	Total Hours	Total Costs
Sub Total				
VAT				
Total for the year				

NB: The pricing must all inclusive of travel, accommodation and any other relevant cost associated with the audit.

NB: Payment will be made based on deliverables.

NB: The total budget should be able cover all the necessary cost of executing the audit. It is important that the budgeted hours and relevant cost addresses the scope of work as no variation of scope of work will be permitted.

**ANNEXURE B:
PRICING/COSTING FOR EXTERNAL AUDIT SERVICES SCHEDULE
YEAR 3**

COMPANY DETAILS	
Name of firm/service provider	
Representative/contact person	
Contact details	
Telephone/Mobile	
E-mail address	

PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE				
Designation	Quantity	Rate Per Hour	Total Hours	Total Costs
Sub Total				
VAT				
Total for the year				

NB: The pricing must all inclusive of travel, accommodation and any other relevant cost associated with the audit.

NB: Payment will be made based on deliverables.

NB: The total budget should be able cover all the necessary cost of executing the audit. It is important that the budgeted hours and relevant cost addresses the scope of work as no variation of scope of work will be permitted.

RETURABLE SCHEDULE 1: INVITATION TO BID AND THE TERMS AND CONDITIONS OF BIDDING (SBD 1)

SBD 1

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	BOCMA RFP2025/01	CLOSING DATE:	05/03/2025	CLOSING TIME:	12:00
DESCRIPTION					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
Breede-Olifants Catchment Management Agency					
Cnr Mountain Mill & East Lake Roads					
Worcester					
6850					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Noxolo Mafanya		CONTACT PERSON	Aureca Jansen/ G de Bruijn	
TELEPHONE NUMBER	023 346 8000		TELEPHONE NUMBER	023 346 8000	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	nmafanya@bocma.co.za		E-MAIL ADDRESS	ajansen@bocma.co.za gdebruijn@bocma.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:		OR	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	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<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]	
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

SBD 1

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, 2017, 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 (SBD7).
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 VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
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:

RETURNABLE SCHEDULE 2: PRICING SCHEDULE (SBD 3.3)

SBD 3.3

PRICING SCHEDULE (Professional Services)

NAME OF BIDDER: BID NO.:

CLOSING TIME 12:00

CLOSING DATE.....

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
------------	-------------	--

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

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

R.....

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

4. PERSON AND POSITION

HOURLY RATE

DAILY RATE

.....

R.....

.....

.....

R.....

.....

.....

R.....

.....

.....

R.....

.....

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

.....

R.....

..... days

.....

R.....

..... days

.....

R.....

..... days

.....

R.....

..... days

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

DESCRIPTION OF EXPENSE TO BE INCURRED

RATE

QUANTITY

AMOUNT

.....

.....

.....

R.....

.....

.....

.....

R.....

.....

.....

.....

R.....

.....

.....

.....

R.....

TOTAL: R.....

** "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance contributions and skills development levies.

- 5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....
TOTAL: R.....			

6. Period required for commencement with project after acceptance of bid
7. Estimated man-days for completion of project
8. Are the rates quoted firm for the full period of contract? *YES/NO
9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.
-
-
-

*(DELETE IF NOT APPLICABLE)

Any enquiries regarding bidding procedures may be directed to the –
(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

Tel:

RETURNABLE SCHEDULE 3: DECLARATION OF INTEREST (SBD 4)

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of institution	State

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

- 2.2.1 If so, furnish particulars:

.....
.....

- 2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether they are bidding for this contract? **YES/NO**

- 2.3.1 If so, furnish particulars:

.....
.....

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

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

RETURNABLE SCHEDULE 4: PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 (SBD 6.1)

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

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

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

1. GENERAL CONDITIONS

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

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

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

(delete whichever is not applicable for this tender).

a) The applicable preference point system for this tender is the 80/20 preference point system.

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

(a) Price; and

(b) Specific Goals.

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

The maximum points for this tender are allocated as follows:

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

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

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regards to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the

- organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) “the Act” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20	or	90/10
$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$	or	$Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

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

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Enterprise 51% or more Black woman owned	N/A	10	N/A	
Enterprise owned by people with Disability or Youth	N/A	5	N/A	
Enterprise 51% Black Owned	N/A	5	N/A	
Maximum Points		20		

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as

indicated in paragraph 1 of this form;

- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

- (a) disqualify the person from the tendering process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution, if deemed necessary

.....	
SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:
DATE:
ADDRESS:

Annexure A

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
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14. Spare parts
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17. Prices
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20. Subcontracts
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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**
- 7.1 Within thirty (30) days of receipt of the notification of contract award,

security

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.