SCOPE OF WORK

THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE RISK MANAGEMENT WORKSHOPS AND RISK MAPPING SERVICES FOR A PERIOD OF 36 MONTHS.

1. INTRODUCTION

2. CEF (SOC) Ltd is the holding company for a number of subsidiaries, which make up the CEF Group of companies. All of these subsidiaries operate in the energy sector with commercial, strategic, regulatory and developmental roles. The Mandate of CEF SOC is derived from the CEF Act (No 38 of 1977) and its articles. The mandate is in essence to contribute to the security of energy supply for the country. This is the overarching mandate for all CEF Group entities, as they are subsidiaries. The vision is to be a leading diversified energy company that provides sustainable energy solutions for Southern Africa.

3. This way CEF contributes to national energy security. The mission is to grow our footprint in the energy sector, to be the catalyst for economic growth and energy poverty alleviation through security of supply, and access to acceptable affordable energy in Southern Africa. The strategic role of the CEF Group is to search for appropriate energy solutions to meet the current and future energy needs of South Africa, the Southern African Development Community and the Sub-Saharan African region, including oil, gas, electrical power, solar energy, low-smoke fuels, biomass, wind and other renewable energy sources.

4. PURPOSE AND OBJECTIVES

5. CEF is seeking the services of a qualified and experienced service provider to provide independent risk workshop and risk mapping advisory services for the CEF group subsidiaries. These services are aimed at enhancing organisational ERM risk mapping for planning purposes. The objectives of this appointment are to provide a detailed assessments of activities that will inform strategic risk mapping and planning.

6. SCOPE OF WORK

- The service provider will be required to facilitate risk workshop for the mapping of strategic risks identified during strategic planning sessions conducted across all subsidiaries i.e CEF SOC, IGas, CEF Trading, CEF Carbon, SANPC, PetroSA, SFF, AEMFC and PASA.

- The risk workshops will involve facilitating risks mapping discussions with EXCO and the Board of all subsidiaries.

- Attend all the strategic planning sessions of the subsidiaries to have a view of the strategic objectives outlined in terms of each subsidiaries Corporate Plans.

- Develop CEF SOC and CEF Group strategic risks registers linked to each subsidiary and CEF group Corporate Plan as well as the discussions with Management and the Board.

- Draft a comprehensive risk report for the individual subsidiaries and at CEF Group level which will inform the strategic direction of the organisation.

7. KEY DELIVERABLE OBJECTIVES

- To assist management to fully identify and treat the identified risk.
- Develop risk process and mapping of all risks linked to strategic objectives.
- The ability to apply ERM principles in risk process and mapping.
- Incorporate strategic risks into each subsidiary Corporate Plans

8. EXPECTED OUTCOMES

- Risk Workshops completed for all entities.
- Risk report completed for all entities
- Risk register mapped with the strategic risks identified in the strategic sessions.

Mandatory Requirements

At this phase, the bidder's responses are reviewed against the below Mandatory Requirements. **Failure to comply with any of the Mandatory Requirements will lead to the bidder being disqualified and cannot be considered for further evaluation on Technical Requirements.**

Mandatory requirements	Comply	Not comply
<u>Proof of Accreditation</u> The bidder's lead must be a certified Risk or Compliance Professional of a relevant Accreditation authority in **South Africa** from a professional institute such as IRMSA or Compliance Institute of South Africa. **The bidder must provide copy of valid Accreditation certification.**		

4.2 TECHNICAL EVALUATION

Bidders will be evaluated according to the below technical evaluation criteria. Minimum Technical Threshold is **60%.** It must be noted that if the Bidder does not meet the **60%** minimum threshold, the bidder will be disqualified.

Evaluation Criteria	Document as Evidence	Score	Weighting %
1. EXPERIENCE OF THE TEAM LEAD AND QUALIFICATION. The bidder must submit a Qualification at NQF level 7 or above in Risk Management/ Law/ BCOM with risk Management as a major and CV that demonstrates that the Lead team member has experience in the facilitation of risk workshops with senior management or EXCO or Board Member stakeholders, knowledge of risk Management frameworks and policies; risk mapping linked to organisational strategy; risk identification and assessment; and drafting of risk reports.			
Lead team member has an NQF level 7 or above qualification in Risk Management/ Law/ BCOM with risk Management as a major and have 10 years or more experience.	CV and proof of qualification of the team Lead	5	**40%**
Lead team member has an NQF level 7 or above qualification in Risk Management/ Law/ BCOM with risk Management as a major and have 8 but less than 10 years' experience.		3	
Lead team member has an NQF level 7 or above qualification in Risk Management/ Law/ BCOM with risk Management as a major and have 7 but less than 9 years' experience.		1	
Did not submit proof of NQF level 7 or above qualification in Risk Management/ Law/ BCOM with risk Management as a major and/or has less than 7 years' experience.		0	

Evaluation Criteria	Document as Evidence	Score	Weighting %
2. Team Experience Bidder's team must have a **combined experience** in all the following, Risk Mapping, Risk Identification and assessment, Development of Risk registers, Knowledge on Risk Management frameworks and policies and Risk reporting.			
Team has 6 years or more experience in all elements	CVs of the team members clearly indicating the job description.	5	**25%**
Team has 4 years but less than 6 years' experience in all elements		4	
Team has 3 years but less than 4 years' experience in all elements		3	
Team has 2 years but less than 3 years' experience in all elements		2	
Team has less than 2 years' experience in all elements.		0	

Evaluation Criteria	Document as Evidence	Score	Weighting %
Reference letters The bidder must submit reference letters which combined, reflect work undertaken in all the following: facilitation of risk workshops for risk mapping purposes, risk mapping, and risk identification and assessment and drafting of risk assessment reports. ***The reference letters must be signed, dated and be on a client's letterhead, and include the client's name and client's contact details.***			
5 Reference letters or more	**Reference letters**	5	**35%**
4 Reference letters		4	
3 Reference letters		3	
Less than 3 Reference letters submitted		0	

9. CONTRACT TERM

The contract will be effective for a period of **duration of 36 months** where the service provider will provide the services and deliverables as outlined in the scope.

9.1. CONTRACT OBLIGATIONS

This document will be annexed to the CEF contract with the service provider and will constitute the schedule of deliverables for the purposes of this project. The service provider's quotation must remain valid for a period of 120 days from the date of submission and be ***inclusive of VAT***. All prices indicated in the quotation must ***remain fixed and firm for the period***. In the case of the service provider using sub-consultants, the former will be responsible for ensuring delivery of services from any such sub-consultants and for making any payments to such sub-consultants.

9.2. DISCLAIMER

CEF will not be liable for any incorrect or misleading information on pricing and in relation to any part of this document and reference documents thereto. No legal or other obligation shall arise between the service provider and CEF unless and until a formal award letter or contract has been signed by both parties.

9.3. FEES AND DISBURSEMENTS

- In relation to the above scope of work, the service provide must provide fixed and firm fee offer that cover the above activities.
- The firm and fixed service fees must be linked to required services with specifies to hours to be offered and specialised personnel names and skill set to be tasked to the matter must be provided and the hourly rate specified for the duration of the service period.
- ***Also be specific on the fee cap (excluding VAT and disbursements). Note only bids who submit a fixed fee/pricing offer inclusive off all anticipated consultants advisors to be required to deliver the overall task and associated disbursement will be deemed as a responsive bid.***

9.4. ASSUMPTIONS

Fee proposal MUST BE clear and specific and consider the following assumptions amongst others:

- The scope of work must be performed in full by the service provider unless otherwise directed by CEF;
- Hourly rate of all team member must be stated. It is assumed that the team will consist of Team lead and the Team lead must be specified and must have expertise as expected in the outline of the scope of work. Hours for any work to be completed must be set out of the scope and detailed.

Pricing Schedule

Description of Services	Number of sessions in three years	Number of Hours (Per Session)	Cost per Hour	Total Cost
Attend all the strategic planning sessions of the subsidiaries:				
1. CEF SOC EXCO	**3**	8		
2. CEF SOC Board	**3**	8		
3. AEMFC Exco	**3**	8		
4. AEMFC Board	**3**	8		
5. iGas Exco	**3**	8		
6. iGas Board	**3**	8		
7. SANPC EXCO	**3**	8		
8. SANPC Board	**3**	8		
9. SFF EXCO	**3**	8		
10. SFF Board	**3**	8		
10. PetroSA EXCO	**3**	8		
11. PetroSA Board	**3**	8		
12. CEF Trading Board	**3**	8		
13. CEF Carbon Board	**3**	8		
14. PASA EXCO	**3**	8		
15. PASA Board	**3**	8		
16. CEF Group	**3**	8		
Total for strategic planning sessions of the subsidiaries				**R**

Facilitate risk workshops and risk mapping				
1. CEF SOC EXCO	**3**	8		
2. CEF SOC Board	**3**	8		
3. CEF Group	**3**	8		
4. AEMFC Exco	**3**	8		
5. AEMFC Board	**3**	8		
6. iGas Exco	**3**	8		
7. iGas Board	**3**	8		
8. SANPC EXCO	**3**	8		
9. SANPC Board	**3**	8		
10. SFF EXCO	**3**	8		
11. SFF Board	**3**	8		
12. PetroSA EXCO	**3**	8		
13. PetroSA Board	**3**	8		
14. CEF Trading Board	**3**	8		
15. CEF Carbon Board	**3**	8		
16. PASA EXCO	**3**	8		
17. PASA Board	**3**	8		
Total for risk workshops and risk mapping				**R**
Develop risk register and Risk report				
1. CEF SOC	**3**	8		
2. CEF Group	**3**	8		
3. AEMFC	**3**	8		

4. iGas	**3**	8		
5. SANPC	**3**	8		
6. SFF	**3**	8		
7. PetroSA	**3**	8		
8. CEF Trading	**3**	8		
9. CEF Carbon	**3**	8		
10. PASA	**3**	8		
Total For risk register and Risk report				**R**
Total (Exc. Vat)				**R**
Vat (@15%)				**R**
Total Offer (Inc. Vat)				**R**