

REQUEST FOR QUOTATION

APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT AN EXTERNAL QUALITY ASSESSMENT REVIEW TO DETERMINE WHETHER THE WORK OF INTERNAL UNIT IS IN CONFORMANCE WITH THE INTERNATIONAL STANDARDS FOR THE PROFESSIONAL PRACTICE OF INTERNAL AUDITING (ISPPIA) OF THE INSTITUTE OF INTERNAL AUDITORS FOR A PERIOD OF SIX (6) MONTHS

BENEFICIARY	MUNICIPAL INFRASTRUCTURE SUPPORT AGENT
CONTACT PERSON	Malose Thema
Inquiries	Malose.Thema@misa.gov.za
PHYSICAL ADDRESS	1303 Heuwel Avenue, Riverside office park, Letaba House, Centurion 0046
PROJECT NAME	APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT AN EXTERNAL QUALITY ASSESSMENT REVIEW FOR A PERIOD OF SIX (6) MONTHS
Bid Number	MISA/RFQ/01017/2025/26
QUANTITY	1 ASSESSMENT REPORT
Reference No	MISA/RFQ/01017/2025/2026
CLOSING DATE & TIME	27 May 2025 @11:00am
RFQ responses must be emailed to:	Malose.Thema@misa.gov.za

1. PURPOSE

To appoint a Service Provider to conduct an external Quality Assessment Review (QAR) to determine whether the work of Internal Unit is in conformance with the International Standards for the Professional Practice of Internal Auditing (ISPPIA) of the Institute of Internal Auditors.

2. INTRODUCTION AND BACKGROUND

Internal Audit is required to be subjected to an External quality assurance review every 5years as required by the International Standards for the Professional Practice of Internal Auditing (ISPPIA) of the Institute of Internal Auditors and its approved Internal Audit Charter.

3. INVITATION FOR QUOTATIONS

Quotations are requested from suitably qualified Accounting, Auditing and Consulting companies and firms, individuals and consortia to assist the Internal Audit Unit with the execution of the external quality assessment review as prescribed by the International Standards for the Professional Practice of Internal Auditing (ISPPIA) of the Institute of Internal Auditors. The services will be required for the assessment as detailed in **Paragraph 6 below**.

4. DURATION OF THE PROJECT

The project should be completed within a period of six months from the date of appointment.

5. OBJECTIVES OF THE PROJECT

To appoint a service provider who can under the management of the Municipal Infrastructure Support Agent (MISA) Internal Audit unit conduct the 5-year External quality assurance review and issue a report on whether Internal Audit in conformance with the International Standards for the Professional Practice of Internal Auditing (ISPPIA) of the Institute of Internal Auditors and the Code of Ethics.

6. SCOPE OF WORK AND TIMELINES

6.1 The successful Service Provider will be required to perform the following functions:

- a) Perform the assessment under the management of the Internal Audit Unit.
- b) Perform the external assessment using the International Standards for the Professional Practice of Internal Auditing (ISPPIA) of the Institute of Internal Auditors.
- c) Develop an assessment report that highlights all areas of conformance and non-conformance with the ISPPIA and have suggestions to improve the effectiveness of the internal audit activity and promoting ideas to enhance the activity's image and credibility.

- d) Present an assessment report to the management of MISA and the Audit Committee.
- e) Sign off on all reports/documents within the prescribed time as per the contract.
- f) Provide MISA with a final sign off assessment report (manual and soft copy).

6.2 Detail Project Scope

No	Project Activities	Section audited	Project Scope	Knowledge/Skills Required
	External Quality Assurance Review			
1.	Review conformance with International Standards for the Professional Practice of Internal Auditing (ISPPIA) of the Institute of Internal Auditors	Internal Audit Unit	➤ Review conformance and non-conformance with International Standards for the Professional Practice of Internal Auditing (ISPPIA) of the Institute of Internal Auditors	➤ Knowledge of ISPPIA ➤ Knowledge of IIA standard 1300 relating to quality assurance assessments

6.3 Deliverables of the Service and Timeframes

DELIVERABLES	TIMEFRAMES	PAYMENT TO THE SERVICE PROVIDER	UNIT PRICE	TOTAL PRICE (VAT INCLUSIVE)
Project plan outlining the deliverables and timeframes of the audit project	1 week after signing of the contract	-		
Weekly progress reports on project to CAE	Weekly	-		
1 st Draft Assessment report	1 week after execution of assessment	50%		
2 nd Draft Assessment report	2 weeks after of execution assessment	30%		
Final Assessment report	1 week after engagement management	20%		

NB: Service providers must structure their Pricing as per the above table of deliverables.

7. COMPANY EXPERIENCE

- **Required Expertise of the Service Provider:**
 - a) Knowledge of International Standards for the Professional Practice of Internal Auditing (ISPPIA);
 - b) Knowledge of IIA standard 1300 and other related quality assurance standards;
 - c) Three years or more experience in performing external QAR's;
 - d) Capacity to execute the QAR review;
 - e) Generic skills:
 - The ability to analyse/interpret data
 - Report writing and presentation.
 - f) Applicable qualifications/certifications
 - a. Three year tertiary qualification in Internal Audit
 - b. Certificate as a qualified assessor in the Internal Audit field
- **Other documents:**
 - a) A detailed company profile.
 - b) Proposal (a detailed project plan) for evaluation.
 - c) Completed and appropriately signed Standard Bidding Documents.

8. EVALUATION PROCESS

Responses received will be evaluated as per Mandatory Requirements and Service Providers that does not meet mandatory requirements will not be considered further.

9. MANDATORY REQUIREMENTS

Service Providers should tick "**Comply**", or "**Do not comply**" on the list indicated below. Service Provider/s who do not comply with any of the below description /statement will automatically be disqualified and not be considered for Price and specific goals stage. in the event where the service provider has indicated, "**comply**", but the required evidence as per the checklist below, is not attached to the proposal, the service provider will be marked as "**Do not comply**" and will not be considered for any further evaluations.

Checklist for compliance based on Mandatory Requirements

NO	Requirements	Description	Means of Verification	Comply	Do Not Comply
9.1	Company Experience.	<ul style="list-style-type: none"> Minimum of 3 projects done in conducting external QAR's; Capacity to execute the QAR review. 	<ul style="list-style-type: none"> <i>Attach Three (3) reference letters detailing work successfully completed pertaining to the required services. The letters must be on client's letterhead include the relevant contactable details of references, nature of service/ assignment provided, duration of the contract and be signed.</i> <p>NB: <i>Purchase orders/appointment letters does not serve as reference letters.</i></p>		
9.2	Team Leader	<ul style="list-style-type: none"> Minimum of Four(4) years experience in external Quality Assessment Review Three(3) year tertiary National Diploma/Degree or Higher qualification in Internal Audit. Be a member in good standing 	<ul style="list-style-type: none"> <i>Attach CV that demonstrate experience in QAR including proof/ references.</i> 		
			<ul style="list-style-type: none"> <i>Attach copy/ies of Qualification.</i> 		
			<ul style="list-style-type: none"> <i>Attach valid membership with IIASA</i> 		

NO	Requirements	Description	Means of Verification	Comply	Do Not Comply
9.3	Deployoment of Team members	<ul style="list-style-type: none"> Minimum of Three(3) years experience in external Quality Assessment Review. Minimum of Three(3) year tertiary qualification in Internal Audit. Be a member in good standing. 	<ul style="list-style-type: none"> Attach CV of each member that demonstrate experience in QAR including proof/ references. 		
			<ul style="list-style-type: none"> Attach copy of qualification in Internal Audit 		
			<ul style="list-style-type: none"> Attach valid membership with IIASA. 		
9.4	UNDERSTANDING OF PROJECT SCOPE	<ul style="list-style-type: none"> Clear understanding of the scope of work. Demonstrate understanding of minimum criteria/elements of external QAR and provide detail on the elements/criteria of external QAR. 	<ul style="list-style-type: none"> Attach a proposal detailing knowledge of International Standards for the Professional Practice of Internal Auditing (ISPPIA). 		
			<ul style="list-style-type: none"> On the proposal detailing knowledge of IIA standard 1300 and other related quality assurance standards. 		

NB: Evidence for a response “comply” must be attached to the service provider’s RFQ response proposal. MISA reserves the right to verify all submissions, where registration certification is only available online, verification will be done by MISA.

10. PRICE AND SPECIFIC GOALS

80/20 preference point system as prescribed in Preferential Procurement Regulation 2022 and Preferential Policy Frame Act, No. 5 of 2000. The evaluation will be done as follows:

A maximum of **80 points** are allocated to Bid Price on the following basis:

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where,

P_s = Points scored for the comparative price of the Bid under consideration

P_t = Comparative price of the Bid under consideration

P_{\min} = Comparative price of lowest qualified Bid

Points for Specific Goals

A maximum of **20 points** are allocated for BBBEE status level. Preference point must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

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

11. PRICING (AS PER PARAGRAPH 6.3 ABOVE)

Pricing must include the following:

- a) Hourly rate of the bidder inclusive of value added tax
- b) Administrative costs inclusive of value added tax
- c) Any other costs (specify) are inclusive of value added tax.
- d) The assignment will be done on time and cost basis.

12. INTELLECTUAL PROPERTY RIGHTS AND OWNERSHIP OF MATERIAL

All intellectual property rights relating to any work produced by the service provider in relation to the performance of this Contract shall belong to MISA. The service provider shall give MISA all the required assistance in protecting such intellectual property rights. All material, in paper, electronic or any recorded format produced by the service provider in the performance of this Contract shall remain the property of MISA and must be handed over to MISA within one month of the completion of the contract.

All service providers undertake not to infringe the intellectual property of third parties. Should any action or claim be instituted MISA emanating from an infringement of intellectual property or an alleged infringement of intellectual property, the service providers hereby indemnify MISA against such claims or actions as well as all costs (including legal costs on an attorney and client scale).

13. AMENDMENTS AND VARIATION

The terms of reference together with the offer made by the successful bidder and the acceptance thereof by MISA as well as the General Conditions of Contract shall constitute the formal agreement between MISA and the successful bidder. No amendment of this agreement, variation, waiver, relaxation or suspension of any of the provisions thereof shall have any force or effect, unless reduced to in writing and signed by both parties.

The service provider shall be appointed as an independent contractor and MISA shall not be held liable for any obligations or liabilities arising out of the actions of the service provider.

The service provider does not have the right to bind MISA in any way during the execution of his/her mandate under this contract.

14. ASSESSMENTS

Assessments of the performance of the service provider will be conducted during the relevant periods in line with activities referred to in paragraph 5.2 and in accordance with the key deliverables. If there is dissatisfaction with the performance, written notice outlining the deficiencies will be provided to the service provider who will have 14 days to rectify the deficiency, failing which the contract will be terminated.

15. TERMINATION OF THE CONTRACT

If the service provider does not commence to work on the project, and after 14 days written notice addressed to his/her domicilium address to start still fails to start to work on the project, this contract may be cancelled forthwith.

This contract may be cancelled for reasons other than poor performance or breach of contract, by giving the service provider 14 days' written notice to rectify or address the cause of concern where-after MISA shall have the right to summarily cancel the contract upon written notice to the service provider.

16. COMMUNICATION

All contract technical communication must be done via the Director: Internal Audit who is the designated contract Manager for the contract. Any other communication must be addressed to the Supply Chain Management office in writing by email:

17. VETTING

The appointed service provider must produce a valid security clearance certificate or agree to be subjected to a security clearance before commencing with the project.

Normally SCM appoint a service provider to conduct the vetting using the CSD report and the outcome will determine whether you appoint or not.

18. CONFIDENTIALITY

The existence of this agreement will be kept confidential as between the Company, MISA and the Appointed Consultant. It is recorded that each of the parties have agreed not to disclose details of the negotiations in this matter and the content of this Agreement and to regard them as consisting of confidential information. The parties specifically undertake not to disclose any such confidential information to any third party whomsoever (other to their respective shareholders) without the prior written consent of the other of them, save as may be required by law.

19. COSTING

Costing should be inclusive of VAT, taxes and all costs associated with the project. No additional charges will be accepted by the department after issuing an official purchase order to the successful service provider.

20. REQUEST FOR PROPOSALS

All service providers are required to submit the proposals within the prescribed due date after the invitation of the RFP.

21. ENQUIRIES

Submit all enquiries in writing for the attention **Mr. Malose Thema**

Email address: malose.thema@misa.gov.za

Telephone number: 012 848 5300

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)							
BID NUMBER:	MISA/RFQ/01017/2025/26	CLOSING DATE:	27 May 2025	CLOSING TIME:	11am		
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT AN EXTERNAL QUALITY ASSESSMENT REVIEW FOR A PERIOD OF SIX (6) MONTHS.						
BID RESPONSE DOCUMENTS MAY BE EMAILED TO THE EMAIL ADDRESS							
Malose.Thema@MISA.gov.za							
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO				TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON	Malose Thema			CONTACT PERSON	Malose Thema		
TELEPHONE NUMBER	012 848 5300			TELEPHONE NUMBER	012 848 5300		
FACSIMILE NUMBER				FACSIMILE NUMBER			
E-MAIL ADDRESS	Malose.thema@misa.gov.za			E-MAIL ADDRESS	Malose.thema@misa.gov.za		
SUPPLIER INFORMATION							
NAME OF SERVICE PROVIDER							
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 FROM VERIFICATION AGENCIES ACCREDITED BY SANAS/ B-BBEE CERTIFICATE ISSUED BY DTI / 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**

1. BID SUBMISSION:
1.1. BIDS MUST BE SUBMITTED BY THE STIPULATED TIME TO THE CORRECT EMAIL 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 SERVICE PROVIDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 SERVICE PROVIDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 SERVICE PROVIDERS 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 SERVICE PROVIDERS 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 SERVICE PROVIDER 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 SERVICE PROVIDER:.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:.....

(Proof of authority must be submitted e.g. company resolution)

DATE:

SERVICE PROVIDER'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 Service Provider 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. Service Provider's declaration.

- 2.1 Is the Service Provider, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise,

employed by the state?

YES/NO

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

Full Name	Identity Number	Name of State institution

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.

2.2 Do you, or any person connected with the Service Provider, 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 Service Provider or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....
.....

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 Service Provider 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 Service Provider, 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 Service Provider 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 Service

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.

Provider 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.

(a) 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 Service Provider

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**

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

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

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = 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 bid	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the bidder)
1	20	
2	18	
3	14	
4	12	
5	8	
6	6	
7	4	
8	2	
Non-compliant contributor	0	
Total scored 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:

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