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**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER TO ESTABLISH AND MANAGE THE 24/7/365 DAYS ANTI-CORRUPTION HOTLINE NUMBER FOR THE DEPARTMENT OF MINERAL RESOURCES AND ENERGY FOR A PERIOD OF TWENTY- FOUR (24) MONTHS.**

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**1 BACKGROUND**

- 1.1 Corruption has become endemic in South Africa. It undermines democracy and impacts negatively on service delivery, human and socio-economic development, job creation, and public trust in government, as well as investor confidence in the country. Corruption manifests in all spheres of society and occurs in the public sector and in the private sector.
- 1.2 Corruption, having permeated key institutions in both the public and private sector, poses a threat to national security, and undermines the rule of law and institutions vital to ensuring the centrality of the state as a protector and promoter of the rights of its citizens. There is a need to unify anti-corruption efforts across sectors to address the scourge of corruption and to demonstrate the commitment of government, business, and civil society to achieve the vision of the National Development Plan 2030 of a corruption-free South Africa, and a society in which key values, such as integrity, transparency, and accountability, guide the actions and behaviour of its citizens.
- 1.3 In 2016 a review and situational analysis of corruption and anti-corruption measures in South Africa was undertaken to pave the way for the development of the National Anti-Corruption Strategy (NACS).
- 1.4 Recognising these dangers, South Africa's first democratic government decided very quickly to fight against corruption and began its anti-corruption campaign in 1997. This led to the approval of the Public Service Anti-Corruption Strategy by the Cabinet in 2002.
- 1.5 The Prevention and Combating of Corrupt Activities Act 12 of 2004 defines corruption as an offence that can be committed by anyone whether they are in the public service or in the private sector.
- 1.6 The Public Finance Management Act (PFMA), read together with Treasury Regulations, requires departments to have Fraud Prevention Plans as part of their risk management strategy. This requirement is further complemented by the Public Sector Minimum Anti-Corruption Capacity Requirements which requires departments to establish minimum anti-corruption capacity to prevent, detect, investigate, and resolve acts of corruption.
- 1.7 The DMRE Anti-Fraud and Corruption Strategy was developed with due cognizance to the basic fraud and corruption measures that are already in place within the Departments, as well as the fraud and

corruption risks that have been identified and seek to address them in order to enable the Department to achieve its objectives.

- 1.8 On 14 August 2023, Exco resolved that there is a need for the Department to appoint a service provider to establish, set up, and manage the DMRE 24/7 365 days Anti-Corruption Hotline Number to enable members of the public, stakeholders, media, and employees of the department, interest groups and service providers to report suspected activities/ incidents of corruption, maladministration and or irregularities for investigation and resolution.
- 1.9 The purpose of the anti-corruption hotline number is to make a way for officials and or clients of the department to report any form of unethical behavior from the department whilst remaining anonymous.
- 1.10 The anti-corruption DMRE hotline number will offer whistleblowers a cost-effective, 24/7/365 days with a multi-lingual, live-answered state-of-the-art information centre that will enable them to report any irregular activities within the department.
- 1.11 These irregular activities will include but not be limited to theft, fraud, bribery, unethical practices, and any other unlawful or dishonest activity.
- 1.12 The establishment of the anti-corruption hotline number will serve as a first step towards achieving a successful whistleblowing system across the department.

## **2. CONTRACT PERIOD**

- 2.1 The contract period for the establishment and management of the Department of Mineral Resources and Energy Anti-Corruption Hotline Number will be for a period of 24 months after the signing of the service level agreement.

## **3. OBJECTIVE**

- 3.1 To establish, set up, and manage the 24/7/ 365 days anti-corruption hotline number for the Department of Mineral Resources and Energy.

## **4. SCOPE OF WORK**

- 4.1 The service provider is expected to establish, set up and manage the DMRE 24/7/ 365 days Anti-Corruption Hotline Number

- 4.2 Conduct awareness sessions communicating the details of the anti-corruption hotline number to management and other employees of the department (1537 employees).
- 4.3 Conduct orientation and induction to newly appointed employees of the department about what constitutes fraud and corruption and what to do about it.

## **5. DELIVERABLES OR PROJECT OUTPUT AND/OR OUTCOME**

- 5.1 The service provider is expected to undertake the following milestones in the establishment, management and running of the DMRE Anti-Corruption Hotline Number
  - 5.1.1 Establish, set up and manage a 24/7 365 days DMRE Anti-Corruption Hotline Number manned by externally trained staff members.
  - 5.1.2 Produce monthly reports summarising trend evaluations of suspected incidents of corruption for investigation and resolution.
  - 5.1.3 Produce an impact analysis report on the effective functioning of the anti-corruption hotline and proposed interventions
  - 5.1.4 Develop high-level anti-corruption material to be placed in visible areas in the department including regional offices demonstrating zero tolerance to fraud and corruption.
  - 5.1.5 Produce a monthly report(s) analysing the calls received through the anti-corruption hotline with recommendations for action by the department.
  - 5.1.6 Conduct Awareness Training Sessions and Communication Material to management and other employees of the department educating them about what constitutes corruption and how to deal with it.

## **6. EVALUATION CRITERIA**

### **6.1 Functionality**

- 6.1.1 Bidders will be scored in terms of the functional requirements indicated in the table below. The corresponding points and weightings will be used to calculate the overall score a bidder has achieved.
- 6.1.2 The minimum threshold for this bid is 70%. Bidders who score less than 70% will be disqualified. Only bidders that score 70% or more will be considered further.

No.	Evaluation criteria	Points	Weight
1.	<p><b>Company Experience</b></p> <p>Bidders should have experience in establishing and managing the anti-corruption hotline number projects in various organisations.</p> <p>(Attach contract/s or SLA or orders, completion letters/certificates and testimonials from contactable references)</p>	<p>6 or more projects = 5 points  5 projects = 4 points  4 projects = 3 points  3 projects = 2 points  2 or less projects = 1 point</p>	20
2.	<p><b>Experience of Team Leader and Team Members</b></p> <p><b>Experience:</b></p> <p><b>Team Leader</b></p> <p>(i) The team leader must have experience of having been involved in the establishment and management of the anti-corruption hotline number projects.</p> <p>(Attach detailed CV highlighting relevant projects, with contactable references)</p> <p><b>Team members</b></p> <p>(ii) Team member/s must have experience having been involved in the establishment and management of the anti-corruption hotline number projects.</p> <p>(iii) (Attach detailed CV highlighting relevant projects, with contactable references)</p>	<p>6 or more projects = 5 points  5 projects = 4 points  4 projects = 3 points  3 projects = 2 points  2 or less projects = 1 point</p> <p>6 or more projects = 5 points  5 projects = 4 points  4 projects = 3 points  3 projects = 2 points  2 or less projects = 1 point</p> <p><b>(Number of projects = average of the team members)</b></p>	<p>25</p> <p>15</p> <p>5</p>

No.	Evaluation criteria	Points	Weight
	<p>(iv) The Team Leader must have exposure to the management and running of the anti-corruption hotline number in various organisations in the past five (5) years.</p> <p>(v) (Attach detailed CV highlighting experience of the dynamics of the minerals and/or energy sector, and copy/copies of qualification/s that reflect knowledge of the minerals and/or energy sector)</p>	<p>Has experience and knowledge of the dynamics in the minerals and/or energy sector = 5-point</p> <p>Has either experience or knowledge in the dynamics of the minerals and/or energy sector = 3 points</p> <p>Has no experience or knowledge in the dynamics of the minerals and/or energy sector = 1 point.</p>	5
3.	<p><b>Qualifications of Team Leader and Team Members</b></p> <p><b>Qualifications:</b></p> <p><b>Team Leader qualifications</b></p> <p>(i) Team leader must have a formal relevant tertiary qualification recognised by SAQA (Attach certified copies of relevant qualification/s)</p> <p><b>Team member qualifications</b></p> <p>(ii) Team member(s) must possess formal relevant tertiary qualification recognised by SAQA (Attach certified copies of relevant qualification/s)</p>	<p>NQF level 10 = 5 points NQF level 9 = 4 points NQF level 8 = 3 points NQF level 7 = 2 points NQF level 6 or below = 1 point</p> <p>NQF level 9 or higher = 5 points NQF level 8 = 4 points NQF level 7 = 3 points NQF level 6 = 2 points NQF level 5 or below = 1 point (Number of projects = average of the team members)</p>	<p>20</p> <p>15</p> <p>5</p>

4.	<p><b>Project Plan</b></p> <p>(i) Detailed project plan with</p> <ul style="list-style-type: none"> <li>➤ Project deliverables</li> <li>➤ Logistics plan</li> <li>➤ Key milestones</li> <li>➤ Scope</li> <li>➤ Schedule</li> <li>➤ Contingencies</li> </ul> <p>(Attach project plan)</p>	<p>Detailed project plan with project deliverables and detailed logistics plan, milestones, scope, schedule, cost, resources &amp; and change management plan =5 points</p> <p>Detailed project plan with project deliverables logistical plan, milestones, scope, schedule, cost &amp; and resources = 4 points</p> <p>Project plan with project deliverables inadequate logistical plan, milestones, scope, schedule, cost &amp; resources = 3 points</p> <p>Inadequate Project Plan and logistical plan and with project deliverables, milestones, scope, schedule, cost &amp; resources = 2 points</p> <p>No Project and logistical plan=1 point</p>	<p>35</p> <p>20</p>
	<p>(ii) Propose methodology outlining.</p> <ul style="list-style-type: none"> <li>➤ Management of the project.</li> </ul> <p>(Attach methodology proposal)</p>	<p>Methodology outlining the management of the project = 5 points</p> <p>Methodology outlining adequate management of project = 4 points</p>	<p>15</p>

No.	Evaluation criteria	Points	Weight
		Methodology with only description of services = 3  The methodology provided without the required services = 2 points  Methodology not provided = 1 point	

Formula;  $\frac{A}{B} \times 100 = C\%$

Where: A = Total score for the bid under consideration

B = Maximum possible score

C = Percentage score for the bid under consideration

## 6.2 Gate 02 – Mandatory requirements

N/A

## 6.3 Gate 03 - Administrative compliance

- (i) Compliance to the specification / Terms of Reference.
- (ii) Fully completed SBDs (Duly signed and dated) listed hereunder
  - SBD 1
  - SBD 4
  - SBD 6.1
- (iii) The following will be regarded as noncompliance.
  - Price amendments / other amendments without signature/initials.
  - Use of correctional fluid
  - Completion of the bid document in coloured ink other than black ink

## 6.4 Gate 04 – Point Scoring System

Bids will be evaluated on the 80/20 preference point system as outlined in the Preferential Procurement Regulation of 2022.

- Price points = 80

➤ Preferential points = 20

- 6.4.1 The bidder that scores the highest points in this phase will be awarded the tender.
- 6.4.2 Should more than one bidder score the same number of points, the award will be made to the bidder who scores more points on specific goals.
- 6.4.3 Should there be more than one bidder who score the same number of points overall and same points on specific goals, the award will be made to the bidder who scored the highest points on functionality.
- 6.4.4 Should there be more than one bidder who score the same number of points in all aspects, the bid will be determined by the drawing of the lot.
- 6.4.5 The preferential points will be allocated in terms of the Departmental objectives on specific goals. Points allocation on specific goals are tabulated hereunder.
- 6.4.6 Bidders who do not submit proof (means of verification) of specific goals claimed will not qualify for preference points for specific goals.

Specific Goal	Number of points (80/20 Preference System)	Means of Verification
Enterprise owned by Black people	4	Identity documents and CIPC document
Enterprise owned by Women	4	Identity documents and CIPC document
Enterprise owned by Youth	4	Identity documents and CIPC document
Enterprise owned by disabled persons	4	Medical certification
Enterprise owned by SMMEs (QSE or EME)	4	B-BBEE certificate issued by a SANAS accredited Agency or DTIC, or Sworn affidavit

**NB:** "Ownership = 51% of the company share. Designated group/person that are part of the entity directorship but have less than 51% share = points will be calculated on a pro-rata basis in relations to the share/s held by the designated group/persons.

Eg. Number of women directors = 01

Shares owned by women = 20%

Specific goal for women = 4 points

Points claimable for women ownership = 20 x 4 = **0.8 points**



## 7. REPORTING REQUIREMENTS

- 7.1 It is envisaged that the DMRE will require an initial meeting with the successful service provider to agree on the project process and options to be investigated. Bi-weekly meetings will then follow to discuss the progress of the project until completion.
- 7.2 Progress meeting feedback shall be held as and when necessary, but at least two times a month. The venue for these meetings will be at **Matimba Building, 192 Visagie Street, Pretoria** – the DMRE Head Office (Pretoria). Representatives from the service providers' organisation shall be obliged to attend at their own costs. Where applicable, conference calls shall be held to facilitate such meetings.

## 8. WORK PLAN AND METHODOLOGY

- 8.1 The service provider must provide:
  - 8.1.1 A project proposal that demonstrates comprehension and competence to deliver on what is required in line with the scope of work under section 4.
  - 8.1.2 A preliminary project plan outlining key activities, milestones, timeframes, and resources to be committed to the project.
  - 8.1.3 Demonstration of comprehension and competence on how the key outputs (under sections 4 and 5) will be achieved.

## 9. ROLES AND RESPONSIBILITIES

- 9.1 Service Level Agreement will be entered into with the successful service provider which will include, inter alia, obligations of the DMRE and the successful service provider.
- 9.2 The DMRE reserves the right to appoint more than one service provider for the project.
- 9.3 The successful service provider must develop a detailed project schedule/ plan.
- 9.4 The successful service provider will be required to submit a payment schedule providing projections for the period of 6 months on work performed.
- 9.5 DMRE reserves the right to exclude any member whom DMRE deems, at its own discretion. In this case, the service provider will be requested to replace the excluded member with another suitable candidate. The replacement candidate must submit the above-mentioned resume and declaration and be approved by DMRE in writing.
- 9.6 The service provider shall disclose all information in its proposal regarding any interests that may result in an actual or perceived conflict of interest.

- 9.7 Please note that DMRE reserves the right to disqualify any service provider in circumstances where a conflict of interest exists or is perceived to exist or where a service provider has failed to disclose any conflict of interest or any other material information that may have affected the award of the service.

## **10. CONFIDENTIALITY OF INFORMATION**

- 10.1 The names of all the members of the service provider team must be disclosed for the prior approval of DMRE. Any changes, replacements and additions should be submitted for prior approval of DMRE.
- 10.2 A bidder must disclose if affiliated with a firm or entity that has been hired (or is proposed to be hired) by DMRE or the lender.
- 10.3 All members will have to sign a Non-Disclosure Agreement before project commencement and may be required to undergo security screening and tests as the DMRE deems necessary.

## **11. PAYMENTS**

- 11.1 The Department will not make an upfront payment to a successful service provider. Payment will only be made in accordance with the delivery of service that will be agreed upon by both parties and upon receipt of an original invoice.
- 11.2 The payment will be made at the completion of the respective milestones (see section 4). The service provider shall present the work done at the completion of the milestone, and the payment shall be processed when the completed work is agreed upon with the project team of the DMRE.

## **12. TAX CLEARANCE CERTIFICATE**

- 12.1 The potential service provider/s must ensure compliance with their tax obligations.
- 12.2 The potential service provider/s is/are required to submit their unique personal identification number (pin) issued by SARS to enable the organ of state to view the taxpayer's profile and tax status.
- 12.3 Application for tax compliance status (TCS) or pin may also be made via e-filing. To use this provision, taxpayers will need to register with SARS as e-filers through the website [www.sars.gov.za](http://www.sars.gov.za).
- 12.4 The potential service provider may also submit a printed TCS together with the proposal.
- 12.5 In proposals where consortia / joint ventures / sub-contractors are involved; each party must submit a separate proof of TCS / pin / CSD number.
- 12.6 Where no TCS is available, but the potential service provider/s is registered on the central supplier database (CSD), a CSD number must be provided.

### **13. DOCUMENTATION**

- 13.1 For all the identified milestones of the project, the successful service provider shall submit two (2) copies of progress reports after completion of each phase. The progress reports shall be organised in a systematic way, with adequate indexing. The progress reports shall contain all documents produced including copies of minutes of meetings.
- 13.2 The copyright in the end product will vest in DMRE and be presented with its logo, and it will be at liberty to use the report and results as deemed necessary.

### **14. COST / PRICING**

- 14.1 The service provider will be requested to provide a quoted proposal regarding the work to be undertaken.
- 14.2 The total cost must be VAT inclusive and should be quoted in South African Rands (i.e. ZAR).
- 14.3 The service provider should provide hourly rates as prescribed by the Department of Public Service and Administration (DPSA), Auditor-General (AG) or the body regulating the profession of the consultant.
- 14.4 The Service Provider should provide (Subsistence and travel (S&T)) rates that are in aligned to the National Treasury instruction note as follows:
- i) Hotel Accommodation – R1550 per night per person, including breakfast, dinner and parking.
  - ii) Air travel must be restricted to economy class.
  - iii) Claims for kilometres may not exceed the rates approved by the Automobile Association of South Africa.

### **15. CONDITIONS OF THE CONTRACT**

- 15.1 The General Conditions of Contract must be accepted as these are issued by the National Treasury and are non-negotiable.
- 15.2 The service provider will sign a confidentiality agreement regarding the protection of DMRE information that is not in the public domain.
- 15.3 No state information may be furnished/ communicated to the public or news media by the security service provider or any of their employees.
- 15.4 The service provider shall ensure that the contract is executed in line with the scope of work.
- 15.5 The service provider will be subjected to security screening by the State Security Agency.
- 15.6 The DMRE reserves the right to verify the authenticity of the information submitted, any falsified information may result in the disqualification or cancellation of the contract.

**16. FORMAT OF SUBMISSION OF PROPOSAL**

- 16.1 Service providers are requested to submit two (2) copies of technical proposals plus the original.
- 16.2 Service providers are requested to index their proposals for easy reference.

**17. PRE-BID MEETING / BRIEFING SESSION DETAILS**

- 17.1 N/A

**18. CLOSING DATE**

- 18.1 Proposals must be submitted on or before **13 February 2024, 11:00** at the Department of Minerals Resource and Energy, at 192 Matimba Building, Corner Visagie and Paul Kruger Streets, Pretoria in the bid box marked marked Department of Minerals Resource and Energy. **No late bids will be accepted.**

**19. ENQUIRIES**

- 19.1 **All general enquiries relating to bid documents should be directed to:**

Mr Samuel Msiza  
Tel No: (012) 406 7910  
E-mail: [Samuel.msiza@dmre.gov.za](mailto:Samuel.msiza@dmre.gov.za)

- 19.2 **Technical enquiries can be directed to:**

Ms Betty Fakude  
E-mail: [Betty.Fakude@dmre.gov.za](mailto:Betty.Fakude@dmre.gov.za)  
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