



**REQUEST FOR QUOTATION
FOR
INDEPENDENT REPORT ON THE EXPENDITURE VERIFICATION OF
PROJECTS**

NAME OF BIDDER.....

POSTAL ADDRESS

STREET ADDRESS

CONTACT PERSON

TELEPHONE NUMBER Code Number

CELL PHONE NUMBER Code Number

FACSIMILE NUMBER CodeNumber

E-MAIL ADDRESS

Signature of Bidder **Date**

RFQ Number	RFQ4223
Date of RFQ	20 October 2023
SANEDI Contact	<p>All enquiries and RFQ submissions must be directed to :</p> <p>Name: Ms Nondumiso Buthelezi Tel: 011 038 4369 Enquiries: e-mail address: enquiries.procurement@sanedi.org.za Website address: www.sanedi.org.za</p>
Closing date & Time Electronic - Submission	<p>Friday the 03rd of November 2023 at 11:00am</p> <p>E-mail submission only: quotes.procurement@sanedi.org.za</p>
Work specification (and Technical specifications)	<p>1. Project Background</p> <p>The South African National Energy Development Institute (SANEDI) is a state-owned entity established under the National Energy Act (Act No. 34 of 2008). The Act provides for SANEDI to direct, monitor and conduct energy research and development, promote energy research and technology innovation, as well as undertake measures to promote energy efficiency throughout the economy.</p> <p>AEE - Institute for Sustainable Technologies is contracted with South African National Energy Development Institute (SANEDI) with the sole responsibility for the tasks within the framework of the project “SOUTHERN AFRICAN SOLAR THERMAL TRAINING AND DEMONSTRATION INITIATIVE” (SOLTRAIN – Phase IV), which is financed by the Austrian Development Agency and OPEC Fund for International Development (OFID). The agreement between the AEE and SANEDI warrants annual financial audits to be conducted to ensure good governance and financial prudence.</p> <p>This document sets out the ‘Terms of Reference (ToR)’ under which AEE - Institut für Nachhaltige Technologien (‘the Contractor’) agrees to engage potential auditor to produce an independent report on the Expenditure Verification concerning the Financial Statement drawn up by SANEDI (Auditee) for the Project Soltrain+ - Project number 2608-00/2022 - (co-) financed by the Austrian Development Agency (ADA) and a project duration from 01.01.2024 to 31.12.2027, and to issue an Expenditure Verification Report for each reporting period:</p> <ul style="list-style-type: none"> • Period 1: 01.01.2023 - 31.12.2023 • Period 2: 01.01.2024 - 31.12.2024 • Period 3: 01.01.2025 - 31.12.2025 • Period 4: 01.01.2026 - 31.12.2026 <p>The audit execution period is January following the end of the period.</p>

	<p>2. Project Objectives</p> <p>2.1 To appoint a service provider to conduct Agreed-upon procedures over a period 5 years for funds received and spent by SANEDI on behalf of AEE - Institute for Sustainable Technologies.</p> <p>2.2 The Auditor shall undertake this Engagement in accordance with:</p> <ul style="list-style-type: none"> the International Standard on Related Services ('ISRS') 4400 (Revised) "Agreed-upon Procedures Engagements" as promulgated by the IFAC; <p>the IFAC Code of Ethics for Professional Accountants (developed and issued by IFAC's International Ethics Standards Board for Accountants (IESBA), which establishes fundamental ethical principles for Auditors regarding integrity, objectivity, independence, professional competence and due care, confidentiality, professional behaviour and technical standards. Although ISRS 4400 (Revised) provides that independence is not a requirement for Agreed-upon procedures engagements, the ADA requires that the Auditor is independent from the Contractor and complies with the independence requirements of the IFAC Code of Ethics for Professional Accountants</p>
<p>Scope of Works</p>	<p>3. Scope of work</p> <p>THE AUDITOR</p> <p>The Auditor must meet at least one of the following conditions:</p> <ul style="list-style-type: none"> The Auditor is a member of a national accounting or auditing body or institution which in turn is a member of the International Federation of Accountants (IFAC). The Auditor is a member of a national accounting or auditing body or institution. Although this organization is not a member of the IFAC, the Auditor commits himself/herself to undertake this Engagement in accordance with the IFAC standards and ethics. The Auditor is registered as a statutory auditor in the public register of a public oversight body in an EU member state in accordance with the principles of public oversight set out in Directive 2006/43/EC of the European Parliament and of the Council (this applies to auditors and audit firms based in an EU member state). <p>The Auditor is registered as a statutory auditor in the public register of a public oversight body in a third country and this register is subject to principles of public oversight as set out in the legislation of the country concerned (this applies to auditors and audit firms based in a third country).</p> <p>The Auditor will employ staff with appropriate professional qualifications and suitable experience with IFAC standards and with experience in verifying financial information of projects comparable in size and complexity to the project subject to the expenditure verification.</p> <p>The Auditor must have sufficient knowledge of relevant laws, regulations and rules in the countries concerned i.e. where the project is implemented. This includes but is not limited to the company law, taxation, social security and labour regulations, accounting and reporting.</p> <p>The Auditor will provide the Contractor with CVs of the staff/experts involved in the expenditure</p>

verification. The CVs will include appropriate details for the purpose of the evaluation of the offer on the relevant specific experience for this expenditure verification and the qualifying work carried out in the past.

The Auditor:

- must be independent from the Contractor and Auditee, in particular, it must not have been involved in preparing the Auditee's Financial Statement(s);
- must plan work so that the Procedures may be carried out and the Findings may be assessed;
- must adhere to the Procedures laid down and the compulsory report format;
- must carry out the engagement in accordance with this ToR;
- must document matters which are important to support the Report;
- must base its Report on the evidence gathered;
- must submit the Report to the Contractor and Auditee.

The Expenditure Coverage Ratio (ECR) is defined in the Terms of Reference (ToR).

The Auditor ensures that the overall ECR is at least 65%. If he finds an exception rate of less than 10% of the total amount of expenditure verified (i.e. 6,5 %) the Auditor finalises the verification procedures and continues with reporting. If the exception rate found is higher than 10% the Auditor extends verification procedures until the ECR is at least 85%. The Auditor then finalises verification procedures and continues with reporting regardless of the total exception rate found. The Auditor ensures that the ECR for each expenditure heading and subheading in the Financial Statement is at least 10%. The Contractor must reserve the right to share the Expenditure Verification Report and its annexes with all donors.

The ADA reserves the right to reject the Expenditure Verification Report if it does not comply with the required standards. The ADA may at any time require the submission of the original vouchers. The original vouchers must be available for inspection by the ADA at any time for a period of ten years starting from the end of the year during which the last instalment has been disbursed by the ADA. The ADA shall be allowed to inspect in detail the financial management of the Project at any time.

The agreed-upon procedures to be carried out by the auditor to confirm the standard factual finding are listed in the table below.

The 'result' column has three different options: 'C', 'E' and 'N.A.':

'C' stands for 'confirmed' and means that the auditor can confirm the 'standard factual finding' and, therefore, there is no exception to be reported

- 'E' stands for 'exception' and means that the Auditor carried out the procedures but cannot confirm the 'standard factual finding', or that the Auditor was not able to carry out a specific procedure (e.g. because it was impossible to reconcile key information or data were unavailable),

- 'N.A.' stands for 'not applicable' and means that the Finding did not have to be examined by the Auditor and the related Procedure(s) did not have to be carried out. The reasons of the non-application of a certain Finding must be obvious i.e. i) if no cost was declared under a certain category then the related Finding(s) and Procedure(s) are not applicable; ii) if the condition set to apply certain Procedure(s) are not met then the related Finding(s) and Procedure(s) are not applicable. For instance, for 'beneficiaries with accounts established in a currency other than the euro' the Procedure related to 'beneficiaries with accounts established in euro' is not applicable. Similarly, if no additional remuneration is paid, the related Finding(s) and Procedure(s) for additional remuneration are not applicable.

The Auditor ensures that the overall Expenditure Coverage Ratio (ECR) is at least 65%. If he finds an exception rate of less than 10% of the total amount of expenditure verified (i.e. 6,5 %) the Auditor finalises the verification procedures and continues with reporting. **If the exception rate found is higher than 10% the Auditor extends verification procedures until the ECR is at least 85%.**

4. Deliverables

The Auditor must submit to SANEDI and AEE INTEC the **Expenditure Verification Report** performed by the Auditor under the Guidelines set out in this document and the 'Guidelines for Expenditure Verification of projects (co-) financed by the Austrian Development Agency (ADA).

The **Expenditure Verification Report** is composed of two separate documents:

- The Terms of Reference ('the ToR') to be signed by the Contractor and the Auditor;
- The Auditor's Independent Report of Factual Findings ('the Report') to be issued on the Auditor's letterhead, dated, stamped and signed by the Auditor (or the competent public officer) which includes the agreed-upon procedures ('the Procedures') to be performed by the Auditor, and the standard factual findings ('the Findings') to be confirmed by the Auditor.

The **Expenditure Verification Report** must be provided for period 1 by 15.02.2024, for period 2 by 15.02.2025, for period 3 by 15.02.2026 and for period 4 by 15.02.2027

4.1. Project Duration

The appointment is expected to run for five years, commencing on the date of signing the Service Agreement.

REF	PROCEDURES / STANDARDS FACTUAL FINDINGS	Result (C/E/N.A.)
1.	the project is implemented in accordance with the principles of economy, efficiency and expediency	
2.	proper book-keeping and sound financial management have been maintained by the Auditee, the related expenditure practices are correct, Generally Accepted Accounting Standards have been met and an adequate, effective Internal control system exists	

	3.	the project funds have been used in conformity with the Grant Agreement, in particular: a. the project funds were spent exclusively for project related expenses and solely for the purpose intended; b. costs have been incurred during the implementation period; c. costs meet the eligibility criteria stipulated in the Grant Agreement and its annexes	
	4.	the financial statement presented by the Auditee presents the actual expenditure incurred and the revenue received for the project for the respective reporting period accurately and in conformity with the Grant Agreement and annexes thereto	
	5.	the project expenditures are allocated to the last approved (allocated) project budget	
	6.	individual expenditures made from grant funds are clear evident from the project bookkeeping and are assigned to the correct budgeted items as specified in the approved Grant Application.	
	7.	it is plausible that the expenditure for a selected item was necessary for the implementation of the project and that it had to be incurred for the contracted activities of the project by examining the nature of the expenditure with supporting documents	
	8.	where expenditure was apportioned, the applied allocation key was based on sufficient, appropriate and verifiable underlying information	
	9.	over expenditure, if any, lies within the thresholds stipulated in the Grant Agreement	
	10.	the projects costs claimed are net cost and free of any VAT; if expenses contain Value Added Tax (VAT), the Auditor shall certify that the Auditee is not exempt from VAT and cannot reclaim it either	
	11.	costs declared in the Financial Statement are justified by the relevant supporting documents in form of genuine and original invoices, receipts and vouchers bearing all necessary information; these original supporting documents are clearly associated with the project and the project's time frame	
	12.	all expenditures claimed under the financial statement have been settled and paid for, no outstanding invoices or accrued costs have been included in the financial statement	
	13.	all necessary supporting documents for employees' costs are available and these costs are reported correctly. Specifically, the auditor verifies: a. the existence of employment contracts in accordance with the relevant national legislation b. that the reported employees' costs are calculated correctly in accordance with the approved Budget and respective provisions of the General Terms and Conditions	

		c. that only actually paid employees' costs have been claimed under the Financial statement and this has been evidenced by the respective supporting documents	
	14.	indirect costs, if foreseen in the budget, have been calculated properly (Indirect costs are calculated proportionally to eligible direct costs and do not require further supporting documents. Audit costs are part of the indirect costs. For details refer to "Guidelines indirect costs".)	
	15.	accrued interest has been declared (note that accrued interest must be reimbursed to ADA)	
	16.	conversion of currency has been calculated correctly, in particularly the conversion into EUR has been calculated in accordance with the General Terms and Conditions and is evidenced by currency exchange receipts and/or respective bank account statements	
	17.	usage of budget funds under "unforeseen" or "contingency reserve" has been approved by ADA (note, this is only relevant for AEE INTEC)	
	18.	revenues foreseen in the financial plan were not realized	
	19.	other revenues originally not foreseen in the financial plan were registered	
	20.	applicable procurement regulations of the General Terms and Conditions have been complied with	
	21.	applicable provisions of social and labour laws in all countries where the project is being implemented have been complied with	
	22.	applicable provisions of the company and tax laws and regulations have been complied with	
	23.	regulations on travel expenses have been followed	
	24.	all assets and equipment have been incorporated in the asset list	
	25.	assets and equipment have been used for the project purposes	
	26.	depreciation on investment goods that continue to be available to the Auditee after the end of the term of the Agreement has been properly calculated, if applicable	
	27.	equipment or services produced or provided by the Recipient itself have been charged at cost only (without any markup), if applicable	
	28.	project vehicles, if any, have been used according to the standards set out in the General Terms and Conditions of the Grant Agreement	
	29.	sub-grants foreseen in the project document have been provided to third parties and have been properly accounted for based on actual costs	
	30.	applicable visibility regulations have been adhered to	

31.	requests and recommendations from the previous expenditure verifications regarding any project relevant matters have been considered and implemented	
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5. RATES

5.1. Professional Fees

The following are applicable in determination of the rates:

- a) The Guideline on fees for audits undertaken on behalf of the Auditor-General of South Africa issued by the South African Institute of Chartered Accountants.
- b) The Guide on Hourly Fee Rates for Consultants issued by the Department of Public Service and Administration or
- c) As prescribed by the Body regulating the profession of the consultant.

5.2. Subsistence and travel

The service provider should provide (Subsistence and travel (S&T)) rates that are aligned to the National Treasury instruction note as follows:

- a) Hotel Accommodation – R1550 per night per person, including breakfast, dinner, and parking.
- b) Air travel must be restricted to economy class.
- c) Claims for kilometres may not exceed the rates approved by the Automobile Association of South Africa.

6. THE PROPOSAL

1. The audit methodology to be applied by the audit firm in executing the audits. This methodology must align with the requirements of the International Standard on Related Services ('ISRS') 4400 (Revised) "Agreed-upon Procedures Engagements" as promulgated by the IFAC.
2. Evidence of registration with appropriate professional bodies by Senior Personnel (i.e., partners, senior managers, managers, specialists, etc. to be assigned to the audit and evidence of training for the previous 12 months must be furnished.
3. Experience of the Firm in relation to project finance
4. Experience of the assigned team with their CVs included as part of the Bid submission.
5. A list of similar clients served by your Firm with references.

	<div>6. Participation of senior audit personnel assigned to the engagement.</div> <div>7. Frequency of contact with the AEE management team and SANEDI.</div> <div>8. Availability of staff to respond to questions within the scope of the engagement and the hourly charge, if any, for services outside the scope of the audit.</div> <div>9. Audit firm staff's capacity and stability - assurances are required with regard to the assignment of your permanent personnel to the engagement.</div> <div>10. A Detailed 5-year rolling audit plan incorporating audits as per section 1 above.</div> <div>11. Timely liaise with the management team during the execution and reporting on its activities.</div> <div>12. The fee proposal to conduct the basic audit function. Increases must be in line with or below CPI. National Treasury CPI estimates are as follows:<div><div>▪ 2024/25: 4.8%</div><div>▪ 2025/26: 4.7%</div><div>▪ 2026/27: 4.6%</div></div></div> <div>13. Estimated number of hours to complete the audit by classification of your employees, i.e., partners, senior, junior, etc.</div> <div>14. Detail of expenses expected to be incurred, i.e., mileage, allowances, telephone, etc.</div>														
<div>Required qualifications and experience (Technical Evaluation Criteria)</div>	<div>Evaluation Criteria</div> <table><tr><th>No.</th><th>Technical Criteria</th><th>Evaluation Criteria</th><th>Score Range</th><th>Evaluator Score</th><th>Weighting Score</th></tr><tr><td rowspan="2">1.</td><td rowspan="2">Company Experience: A company profile, with proven track record and experience in Financial Auditing services in accordance with the International Standard on Related Services ('ISRS') 4400 (Revised) "Agreed-upon Procedures Engagements" as</td><td>• 5 years details of experience in Auditing services</td><td>8-10</td><td rowspan="2"></td><td rowspan="2">20%</td></tr><tr><td>• 2-3 years details of experience in Auditing services</td><td>5-7</td></tr></table>	No.	Technical Criteria	Evaluation Criteria	Score Range	Evaluator Score	Weighting Score	1.	Company Experience: A company profile, with proven track record and experience in Financial Auditing services in accordance with the International Standard on Related Services ('ISRS') 4400 (Revised) "Agreed-upon Procedures Engagements" as	• 5 years details of experience in Auditing services	8-10		20%	• 2-3 years details of experience in Auditing services	5-7
No.	Technical Criteria	Evaluation Criteria	Score Range	Evaluator Score	Weighting Score										
1.	Company Experience: A company profile, with proven track record and experience in Financial Auditing services in accordance with the International Standard on Related Services ('ISRS') 4400 (Revised) "Agreed-upon Procedures Engagements" as	• 5 years details of experience in Auditing services	8-10		20%										
		• 2-3 years details of experience in Auditing services	5-7												

		promulgated by the IFAC.	<ul style="list-style-type: none"> 1 year with details of experience in Auditing services 	1-4		
	2.	Team Leader Qualifications: Team Leder Support Leader SAICA/SAIPA/ACCA/CIMA/IRBA membership (with the project head being a CA (SA)) and registration with IRBA, public sector experience and knowledge of PFMA.	CA (SA) and IRBA with GRAP knowledge and experience and registered with accounting bodies: SAICA/ IRBA/SAIPA/ACCA/CIMA Senior Financial Accountant with GRAP knowledge and experience and registered with accounting bodies: SAICA/SAIPA/ACCA/CIMA/IRBA. Junior Financial Accountant and registered with accounting bodies: SAICA/SAIPA/ACCA/CIMA/IRBA.	8-10 5-7 1-4		20%
	3.	Reference Letters: from different companies (on company letterhead), signed by designated manager, and dated.	<ul style="list-style-type: none"> 5 or more reference letters. 3 to 4 reference letters 1 to 2 reference letter 2 	8-10 5-7 1-4		10%

	4.	Project plan and Methodology: A detailed methodology including the following areas: 1. Demonstrating experience in Financial Auditing of public sector entities. 2. Clearly define method of how the scope of will be executed. 3. Resources including budget and resources to be deployed.	• Comprehensive methodology outlining all three key focal areas and analysis with clear milestones, deliverables, and timelines.	8-10		40%
			• Reasonable methodology outlining one or two key focal areas and analysis comprising either milestones or deliverables or timelines.	5-7		
			• Poor methodology failing to outline any focal areas and analysis, comprising no milestones, deliverables and timelines.	1-4		
	5.	SAICA and IRBA: Membership: Valid registration or membership with the South African Institute of Chartered Accountants (SAICA) and Independent Regulatory for Board for Auditors (IRBA).	• Membership provided	10		10&
• Membership not provided	0					
Total points available 100 = Minimum threshold 75 points						
Terms and Conditions	The RFQ shall be subjected to the SANEDI procurement terms and conditions which can be found on www.sanedi.org.za . New suppliers are requested to apply for registration as suppliers on the database as no RFQs will be considered without suppliers firstly being registered on the supplier database.					

Quoted Price excluding Disbursements VAT inclusive	(Attach a formal quotation on company official letterhead to this RFQ) R
Discounted amounts	R
Discounted Disbursements VAT inclusive	R
Total Amount VAT inclusive	R
Other Requirements	<p>The supplier must submit the following returnable schedules:</p> <ol style="list-style-type: none"> 1. Pricing schedule 2. Attach SBD9, SBD 4 and SBD 6.1 3. Attach valid tax clearance 4. Certified BBBEE certificate <p>Forms are available on www.sanedi.org.za</p>

SBD 4: Bidder's Declaration of Interest

	<p>Any legal person, including persons employed by the state, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favoritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where</p> <ul style="list-style-type: none"> - the bidder is employed by the state; and/or - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose
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	behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
	In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

	COMPANY & REPRESENTATIVE DETAILS	
	Full Name of bidder or his or her representative	
	Identity Number	
	Position occupied in the Company (director, trustee, shareholder, member):	
	Registration number of company, enterprise, close corporation, partnership agreement or trust	
	Tax Reference Number	
	VAT Registration Number	

	DECLARATIONS	YES	NO
	Are you or any person connected with the bidder presently employed by the state?		
	If so, furnish the following particulars: Name of person / director / trustee / shareholder/ member		
	Name of state institution at which you or the person connected to the bidder is employed :		
	Position occupied in the state institution		
	Any other particulars:		

	If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector?		
	<p>If yes, did you attach proof of such authority to the bid document?</p> <p><u>(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.</u></p>		
	If no, furnish reasons for non-submission of such proof:		
	Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months?		
	If so, furnish particulars:		
	Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?		
	If so, furnish particulars:		
	<p>Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies</p> <p>Wither or not they are bidding for this contract?</p>		

	If so, furnish particulars:
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Full details of directors / trustees / members / shareholders.			
The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in the table below.			
Full Name	Identity Number	Personal Income Tax Reference Number	State Employee Number / Persal Number

“State” means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

DECLARATION OF INTEREST

I, the undersigned (name).....

Certify that the information furnished in this declaration is correct and I accept that SANEDI may reject the bid or act against me should this declaration prove to be false.

Name of Enterprise Bidding:

Name of Authorised Representative

Signature of Authorised Bidder

Date

SBD 6.1

1. Preference Points

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

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 Preference Points applicable:

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

1.3 Points for this tender shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 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 SANEDI 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 SANEDI.

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).

- (f) “B-BBEE” means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (g) “B-BBEE status level of contributor” means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (h) “bid” means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (i) “Broad-Based Black Economic Empowerment Act” means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (j) “EME” means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (k) “functionality” means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (l) “proof of B-BBEE status level of contributor” means:
 - B-BBEE Status level certificate issued by an authorized body or person;
 - A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - Any other requirement prescribed in terms of the B-BBEE Act;
 - “QSE” means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

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:

$$\begin{array}{ccc}
 \text{80/20} & \text{or} & \text{90/10} \\
 P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) & \text{or} & P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)
 \end{array}$$

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

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 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 (80/20 system)			Number of points claimed (80/20 system) (To be completed by the tenderer)
	Total points possible	Indicator	Points allocated	
B-BBEE Status level of Contributor	10	Level 1	10	
		Level 2	9	
		Level 3	8	
		Level 4	5	
		Level 5	4	
		Level 6	3	
		Level 7	2	
		Level 8	1	
		Non-compliant	0	

Women	5	Women Owned 76% - 100%	100%	
		Women Owned 51% - 75%	75%	
		Women Owned 26% - 50%	50%	
		Women Owned 5% - 25%	25%	
		Women Owned less than 5% - 0%	0%	
Youth	2.5	Youth Owned 76% - 100%	100%	
		Youth Owned 51% - 75%	75%	
		Youth Owned 26% - 50%	50%	
		Youth Owned 5% - 25%	25%	
		Youth Owned less than 5% - 0%	0%	
Persons with Disability	2.5	Person with Disability 76% - 100%	100%	
		Persons with disability 51% - 75%	75%	
		Persons with disability 26% - 50%	50%	
		Persons with disability 5% - 25%	25%	
		Persons with disability less than 5% - 0%	0%	
TOTAL FOR SPECIFIC GOALS	20			

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4 Company registration number:.....

4.5 TYPE OF COMPANY/FIRM

Type of Firm	Tick the applicable box here
Partnership/Joint Venture/ Consortium	
One-person business/sole propriety	
Close corporation	

Public Company	
Personal Liability Company	
(Pty) Limited	
Non -Profit Company	
State Owned Company	

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:

SBD 9: Certificate of Independent Bid Determination

I, the undersigned, in submitting the accompanying bid for

in response to the invitation for the bid made by SANEDI do hereby make the following statements that I certify to be true and complete in every respect:

I therefore certify, on behalf of that I have read and I understand the contents of this Certificate;

1. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
2. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;

3. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
4. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
5. 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 consortium will not be construed as collusive bidding.
6. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
7. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
8. 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.
9. 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.

Name of Enterprise Bidding:

Name of Authorised Representative

Signature of Authorised Bidder

Date