



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA



REQUEST FOR QUOTATIONS



TO:	Service Provider
FROM:	National Skills Fund
RE:	REQUEST FOR QUOTATION (RFQ) FOR THE APPOINTMENT OF A SUITABLY QUALIFIED SERVICE PROVIDER TO PERFORM AN EXTERNAL QUALITY ASSESSMENT OF THE NATIONAL SKILLS FUND'S INTERNAL AUDIT ACTIVITY

Dear service provider,

Kindly find attached the specification for the appointment of a service provider to procure the appointment of a suitably qualified service provider to perform an external quality assessment of the National Skills Fund's internal audit activity.

The closing date: **04 December 2025**

Closing time: **11:00 am**

Quotations must be e-mailed to rfq@nsf.org.za . No late submissions will be accepted.

Regards

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE NATIONAL SKILLS FUND					
BID NUMBER:	NSF2526-78	CLOSING DATE:	04 December 2025	CLOSING TIME:	11:00 AM
REQUEST FOR QUOTATION (RFQ) FOR THE APPOINTMENT OF A SUITABLY QUALIFIED SERVICE PROVIDER TO PERFORM AN EXTERNAL QUALITY ASSESSMENT OF THE NATIONAL SKILLS FUND'S INTERNAL AUDIT ACTIVITY					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
DEPARTMENT OF HIGHER EDUCATION AND TRAINING					
NATIONAL SKILLS FUND					
178 FRANCIS BAARD					
PRETORIA					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Ms M Tshilande		CONTACT PERSON	Ms C Smit	
TELEPHONE NUMBER	(012) 943 2939		TELEPHONE NUMBER	012 943 3269	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	rfq@nsf.org.za		E-MAIL ADDRESS	CindyS@nsf.org.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
(Proof of authority must be submitted e.g. company resolution)

DATE:

REQUEST FOR QUOTATION (RFQ) FOR THE APPOINTMENT OF A SUITABLY QUALIFIED SERVICE PROVIDER TO PERFORM AN EXTERNAL QUALITY ASSESSMENT OF THE NATIONAL SKILLS FUND'S INTERNAL AUDIT ACTIVITY

REQUEST FOR QUOTATION (RFQ) FOR THE APPOINTMENT OF A SUITABLY QUALIFIED SERVICE PROVIDER TO PERFORM AN EXTERNAL QUALITY ASSESSMENT OF THE NATIONAL SKILLS FUND'S INTERNAL AUDIT ACTIVITY

1. PURPOSE OF THE RFQ

- 1.1 The National Skills Fund (NSF) is requesting suitably qualified and experienced service providers to submit a quotation to perform an independent external quality assessment of the National Skills Fund's Internal Audit activity for a period of four (4) months.

2. BACKGROUND

- 2.1 The National Skills Fund (NSF) is a schedule 3A public entity reporting to the Department of Higher Education and Training. Its founding legislation is the Skills Development Act, 1998 (Act 97 of 1998) (SDA).
- 2.2 Treasury Regulation 27.2.2 requires that all public entities to which these regulations apply, must have an internal audit function.
- 2.3 Treasury Regulation 27.2.6 requires that internal audit must be conducted in accordance with the standards set by the Institute of Internal Auditors.
- 2.4 The Global Internal Audit Standards (GIAS) effective from 9 January 2025, standard 8.4 (*previously International Standards for the Professional Practice of Internal Auditing, standard 1312*), requires an external quality assessment of the internal audit activity to be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation.
- 2.5 The in-house Internal Audit function of the NSF was established in May 2017. It was previously a shared function with the Department of Higher Education and Training (DHET). The Internal Audit function is based on a co-sourced business model, with limited internal capacity.
- 2.6 A quality assessment has not been performed for the NSF internal audit function to date.

3. OBJECTIVES

- 3.1 The objective of this engagement is to assess the internal audit function's conformance with the internal audit standards and its effectiveness in providing assurance and/or advisory services, with a view to improving the quality of the internal audit activity's services and its conformity with the internal audit standards, stakeholder expectations and best practice.

4. SCOPE OF WORK

- 4.1 A full scope external quality assessment must be conducted in line with the requirements of the IA Standards regarding external quality assessments.
- 4.2 As per GIAS 8.4, the external quality assessment should include a comprehensive review of the adequacy of the internal audit function's:
- 4.2.1 Conformance with the Institute of Internal Auditor's International Professional Practices Framework (IPPF), which includes the Global Internal Audit Standards.
 - 4.2.2 Mandate, charter, strategy, methodologies, processes, risk assessment, and internal audit plan.
 - 4.2.3 Compliance with applicable laws and regulations.
 - 4.2.4 Performance criteria and measures, as well as assessment results.
 - 4.2.5 Competencies and due professional care, including the sufficient use of tools and techniques, and focus on continual development.
 - 4.2.6 Qualifications and competencies, including those of the Chief Audit Executive role, as defined by the organisation's job description and hiring profile.
 - 4.2.7 Integration into the organisation's governance processes, including the relationship among those involved in positioning the internal audit function to operate independently.
 - 4.2.8 Contribution to the organisation's governance, risk management and control processes.
 - 4.2.9 Contribution to the improvement of the organisation's operations and ability to attain its objectives.
 - 4.2.10 Ability to meet expectations articulated by the accounting authority, audit committee, senior management and stakeholders.

- 4.3 Provide advice and value-added recommendations to enhance the management and work processes of the internal audit function as well as its value to the client, where appropriate.
- 4.4 Complete results of the external assessment should be shared with the Audit Committee.

5. CONFIDENTIALITY

- 5.1 The Service Provider shall be bound by and adhere to strict confidentiality in all the work they will handle.

6. DELIVERABLES

- 6.1 An independent external quality assessment report in line with the scope and in compliance with the relevant internal audit standards. The report should outline the findings of the assessment, including the following:
 - 6.1.1 An outline of the methodology used to conduct the external quality assessment;
 - 6.1.2 Produce sufficient, relevant, reliable and effective evidence relating to the external quality assessment; and
 - 6.1.3 Make meaningful recommendations on the possible actions that need to be taken to correct any weaknesses or improvement areas identified.
- 6.2 The external quality assessment report must be accompanied by a complete working paper file.
- 6.3 Presentations to the Audit Committee covering the results of the external quality assessment.
- 6.4 Deployment of qualified, certified and experienced quality assessors for the duration of the assessment.
- 6.5 The service provider must ensure and demonstrate the independence and objectivity of the assessors assigned to the external quality assessment.

7. DURATION OF CONTRACT

- 7.1 The assessment should be completed within a period of five (5) months from the date of issuing of an official order by NSF.
- 7.2 Work will start on issuing of an order.

8. COMPETENCIES / EXPERIENCE REQUIRED

- 8.1 At least one member of the external assessment team must be a Certified Internal Auditor.
- 8.2 The review team leader must be properly qualified and trained with at least 5 years audit experience in external quality assessments.
- 8.3 All review team members assigned to the assignment must be properly qualified and trained with at least 3 years audit experience in external quality assessments.
- 8.4 The qualified assessor must demonstrate the following:
 - 8.4.1 Experience in and knowledge of the Standards and leading internal audit practices.
 - 8.4.2 Experience as Chief Audit Executive or comparable senior level of internal audit management.
 - 8.4.3 Completion of external quality assessment training recognised by the Institute of Internal Auditors.
 - 8.4.4 At least 5 years previous experience in performing external quality assessments in the public sector.
 - 8.4.5 Attestation by assessment team members that they have no conflicts of interest, in fact or appearance.
- 8.5 Refer to **Annexure A** for completion of a list of review team members that will be allocated to the NSF. Minimum requirements include:

Team members	Qualifications and minimum experience
Review team leader	<ul style="list-style-type: none"> • Certified Internal Auditor (CIA) • Knowledge of leading internal audit practices. • Experience as CAE or comparable senior level of internal audit management.

Team members	Qualifications and minimum experience
	<ul style="list-style-type: none"> • IIA certification for quality assessment. • At least 5 years' experience in quality assessments. • Attestation by team lead that he/she has no conflict of interest, in fact or appearance.
Review team members	<ul style="list-style-type: none"> • All team members must be affiliated with the Institute of Internal Auditors, South Africa (IIASA). • At least 3 years' experience in quality assessments. • Attestation by team members that they have no conflict of interest, in fact or appearance.

- 8.6 The competence must be demonstrated through a mixture of experience (completed QAR project/s) and theoretical learning (successful completion of the training course on performing an effective quality assessment will be an added advantage).
- 8.7 Any project team member replacement at the time of contract implementation can only be acceptable with equivalent credentials / competence.
- 8.8 Reference letters from at least five clients in the public sector where an external quality assessment was performed in the last 5 years, as per template per annexure B.
- 8.9 The references must be contactable by NSF, if required.

9. CONTENT OF THE TECHNICAL SECTION

10.1 The technical section should include the following:

10.1.1 Cover Page

10.1.2 Mandatory documents - compulsory RFQ documents completed in full together with supplementary bidder documents as required. This includes tax certificates and completed SBD forms for all the bidders and consortium members, where applicable.

10.1.3 The proposal must be indexed with each page numbered and inclusive of all the following documents and in the following sequence:

10.1.4 Introduction and Executive Summary

- 10.1.5 Company background
- 10.1.6 Contact information of the bidder, including all parties/team members to the consortium where applicable
- 10.1.7 Project methodology and implementation plan (*Exhibit 1*)
- 10.1.8 Review lead and/or team, with CVs and relevant documentation of team members qualifications (*Exhibit 2; Annexure A*).
- 10.1.9 Client reference letters to be completed by the bidder's clients / references' – (*Exhibit 3; Annexure B*).
- 10.1.10 Other information (*to be used if additional information available that is not specifically addressed in categories above*).

10.2 Exhibits

Documents that must be submitted	YES	NO
<p>Exhibit 1: Project methodology and implementation plan</p> <ul style="list-style-type: none"> • Description of the envisaged methodology, processes and procedures that the service provider will deploy to ensure that all deliverables are achieved at the required level of quality and in conformance with requirements of relevant standards. • Use of single reviewer or review team, roles and responsibilities and motivation for size of review team. • It must contain an implementation plan indicating how the service provider plan to complete and manage the project within the required timeframe, during planning, execution and reporting (or other relevant) phases. • Any constraints or restrictions should be indicated. 		
<p>Exhibit 2 / Annexure A: Qualifications and experience of lead reviewer and review team, where relevant</p> <ul style="list-style-type: none"> • The CVs i.e. name(s), qualifications, experience of the lead reviewer and team of reviewers (where relevant). 		

Documents that must be submitted	YES	NO
<ul style="list-style-type: none"> • Certified qualifications, training certifications, IIA certificates of good standing should be attached. • Refer to section 8 for details of expected qualifications and experience. 		
<p>Exhibit 3 / Annexure B: Reference letters</p> <p>Reference letters completed by 5 previous public sector clients where the service provider performed an external quality assessment in the last 5 years, with client satisfaction ratings indicated using the provided template.</p>		

10. CONTENT OF THE FINANCIAL SECTION

11.1 The financial section should include the proposed fee.

11.1.1 The proposed fee should include any costs that will be incurred by the bidder, including travel and subsistence expenses. The total price or amount provided will be regarded as the cost of the project, including VAT and applicable taxes.

11.1.2 The budget should be aligned with key phases of the assessment, indicating unit prices or rates per hour.

11.1.3 Price must be fixed for the duration of the contract period.

11.1.4 The price quoted must be a fixed price including all related costs including equipment, communication/data and delivery of the physical reports to NSF offices located at 178 Francis Baard Street in Pretoria or submitted electronically to rfq@nsf.org.za.

11.1.5 NSF shall not incur any additional costs for overtime or weekend work that may be required due to unforeseen delays during the external quality assessment.

11.1.6 The NSF reserves the right to negotiate rates and costs.

11. EVALUATION PROCESS

Phase 1: Compliance with the minimum requirements:

MANDATORY REQUIREMENTS

- 12.1. Suppliers must make sure that the following documents are attached, signed and completed.
- 12.2. Signed quotation on the company letterhead and it must indicate quote date and expiry date.
- 12.3. SBD 1 Invitation of the BID
- 12.4. SBD 4 form: Declaration of Interest
- 12.5. SBD 6.1 Preference points claim form in terms of the Preferential Procurement
- 12.6. POPIA form signed by the bidder
- 12.7. Prospective bidders are required to attach their CSD report, stating with MAAA...Number.
- 12.8. Attestation by assessment team members that they have no conflicts of interest, in fact or appearance (on bidder's own template) is a mandatory submission.**
- 12.9. During this phase, RFQ will be evaluated on the completeness of bid documents, minimum additional documents presented, documents signed, documents authenticated through certification or verification, etc. RFQ failing this stage will not advance to phase 2.**

Phase 2: Technical/functional evaluation

- 12.10. The criteria detailed below will be the basis for the technical/functional evaluation. This information will inform the NSF's final recommendation on the preferred proposal. A cut-off of 70 points is required to advance to the next phase of evaluation.
- 12.11. The following table reflects the evaluation criteria that will be used in evaluating the technical section.

No	Criteria	Proof to be submitted	Weight
1	Methodology, including project implementation plan	<p>Exhibit 1: A detailed methodology on how the project will be executed must be attached. This should include:</p> <ul style="list-style-type: none"> • Description of methodology, processes and procedures that the service provider will deploy to ensure that all deliverables are achieved at the required level of quality and in conformance with requirements of relevant standards. • Implementation plan indicating how the service provider plan to complete and manage the project within the required timeframe, during planning, execution and reporting (or other relevant) phases with outputs, timeframes and milestones. <p>Scoring guidelines</p> <ul style="list-style-type: none"> • Detailed methodology and project implementation plan well broken down; with detailed objectives and milestones = 30 points. • Basic methodology and project implementation plan with objectives and milestones = 25 points • Methodology and implementation plan provided but no deliverables and timeframes = 15 points • Limited information provided on the methodology and implementation plan = 10 • Attempt made but clear that task not well understood = 5 points • Non-submission = 0 points 	30

No	Criteria	Proof to be submitted	Weight
2	Expertise / competencies	<p>Exhibit 2: Annexure A and abridged CVs indicating qualifications and experience of lead reviewer and review team.</p> <p>Scoring guidelines</p> <p>2.1 Team leader must possess a CIA certification = 10 points</p> <ul style="list-style-type: none"> • CIA certificate: 10 points • No CIA certificate: 0 points <p><u>Note:</u> Information per Annexure A will be used, supported by CIA certificate.</p> <p>2.2 Review team lead must have experience as CAE or comparable senior level of internal audit management = 10 points</p> <ul style="list-style-type: none"> • CAE or comparable senior level of internal audit management: 10 points • Not a CAE or comparable senior level of internal management: 0 points. <p><u>Note:</u> Information per Annexure A will be used, supported by an abridged CV.</p> <p>2.3 Review team lead must have IIA certification for quality assessment training = 5 points</p> <ul style="list-style-type: none"> • IIA certification of completed quality assessment training: 5 points. • No evidence of completed quality assessment training endorsed by IIA: 0 points. <p><u>Note:</u> Information per Annexure A will be used, supported by a IIA endorsed certificate for quality assessment / assessor training.</p>	45

No	Criteria	Proof to be submitted	Weight
		<p>2.5 The review team lead must have at least 5 years' experience performance of external quality assessments = 10 points</p> <ul style="list-style-type: none"> • The review team lead has at least 5 years' experience in performance of external quality assessments = 10 points. • The review team lead has less than 5 years' experience in performance of external quality assessments = 5 points. <p><u>Note:</u> Information per Annexure A will be used, supported by an abridged CV of the team lead and team members.</p> <p>2.4 All team members, including team lead, must be members of good standing with the IIA SA = 5 points.</p> <ul style="list-style-type: none"> • Letter of good standing with IIA for all members, including team lead = 5 points. • No letter of good standing with IIA for some members = 0 points. <p><u>Note:</u> Information per Annexure A will be used, supported by a letter of good standing with IIA.</p> <p>2.5 All review team members must have at least 3 years' experience in performance of external quality assessments = 5 points</p> <ul style="list-style-type: none"> • All review team members have at least 3 years' experience in performance of external quality assessments = 5 points. • Less than 50% of the review team members have less than 3 years' experience in performance of external quality assessments = 3 points. <p><u>Note:</u> Information per Annexure A will be used, supported by an abridged CV of the team lead and team members.</p>	

No	Criteria	Proof to be submitted	Weight
3	Experience	<p>Exhibit 3 (Annexure B): Signed reference letters of external quality assessments completed in the last 5 years in the public sector, including performance ratings.</p> <p>Reference letters should be provided for 5 public sector clients where an external quality assessment was performed in the past 5 years (i.e. 2020 onwards):</p> <p>Scoring guidelines</p> <p>Overall average rating per client reference letters will be added to calculate the scores.</p> <p>Total score (maximum points 5 x 5 = 25)</p> <ul style="list-style-type: none"> • Average rating per client reference letter 1 + • Average rating per client reference letter 2 + • Average rating per client reference letter 3 + • Average rating per client reference letter 4 + • Average rating per client reference letter 5 <p>Note: Reference letter (Annexure B) to be completed by bidder's clients and include contactable references. NSF reserves the right to contact the references prior to award.</p>	25
		Total	100

NB: Service Providers who fail to score a minimum of 70 points out of 100 points on functionality criteria will not be eligible for further consideration.

Phase 3: Price & Specific goals

12.12. Stage 1 – Price Evaluation (80 Points):

Criteria	Points
Price Evaluation $Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$	80

The following formula will be applied to calculate the points awarded in relation to pricing and determination is informed as follows:

Ps - Points scored for comparative pricing of the bid submitted for consideration:

Pt - Comparative pricing of the bid under consideration

Pmin - Comparative pricing of the lowest acceptable bid

12.13. Stage 2 – SPECIFIC GOALS (20 Points):

12.13.1 SPECIFIC GOALS POINTS ALLOCATION: A maximum of 20 points may be allocated to a bidder based on the evaluation of the company's specific goals that are determined as follows:

Specific goals	Number of points (80/20 system)
Persons historically disadvantaged on the basis of race	10
Development of SMMEs	10

12.13.2 Specific goals are allocated to the bidder on receipts of the following documentation or evidence: A duly completed Preference Point Claim Form: Standard Bidding document (SBD 6.1): and the relevant specific goals.

12.13.3. Prospective bidders are required to submit the following documents in order to substantiate the specific goals claimed as per paragraph above.

- A CIPC certificate of the bidder and a CSD report to claim for persons historically disadvantaged based on race.
- CIPS registration and audited financial statements/ Audit report/Financial statements.

12.13.4. Non- submission of documents listed on paragraph above for specific goals will result in a zero (0) score allocated for specific goals.

12.13.5. The points scored by a bidder in respect of specific goals will be added to the points scored for price.

AREAS OF EVALUATION	POINTS
Price	80
Specific goals	20
Total	100

13. MONITORING AND REPORTING

- 13.1 Monitoring of the project will be conducted by the Directorate: Internal Audit.
- 13.2 The Director: Internal Audit and/or delegate will engage with the service provider to facilitate the smooth implementation of the project and to ensure that the objectives of the project are met. Any delays outside the control of the service provider and/or challenges should be communicated to the Directorate: Internal Audit as and when it occurs.
- 13.3 The service provider has a responsibility to monitor that the external quality assessment is conducted within the approved audit budget and timelines and adheres to the relevant internal audit standards.
- 13.4 Potential findings should be discussed with the Director: Internal Audit and/or his/her delegate prior to raising of findings.
- 13.5 The Director: Internal Audit should be provided with agreed timeframe to respond to any findings.

- 13.6 Any findings and reports should be submitted electronically to the Director: Internal Audit (and his/her delegate) in an agreed format.
- 13.7 Complete results of the external assessment should be presented to the Audit Committee.
- 13.8 The NSF undertakes to pay in full or as per deliverables within 30 (thirty) days of receipt of all valid claims for work done to its satisfaction upon presentation of a substantiated claim and the required deliverables. No payment will be made where there is outstanding information/work not submitted by the service provider/s until that outstanding information is submitted.

14. CONDITIONS OF QUOTATIONS

- 14.1 Quotations will be subjected to Supply Chain Management conditions as follows:
 - 14.1.1 The Preferential Procurement Policy Framework Act no.05 of 2000 will apply to this RFQ;
 - 14.1.2 The NSF reserves the right to award or not to award this contract;
 - 14.1.3 The NSF reserves the right not to accept the lowest cost proposal;
 - 14.1.4 The NSF reserves the right to terminate the contract should the performance of the service provider be unsatisfactory;
 - 14.1.5 The NSF has the right to visit the business premises of the service provider to verify the information provided in the tender documents but will inform the service provider in advance of such a verification visit;
 - 14.1.6 Any change of information provided in the RFQ document that may affect delivery of services should be brought to the NSF's attention as soon as possible. Failure to comply may result in the contract being terminated;
 - 14.1.7 All copyrights and intellectual property rights in respect of products developed by the service provider during the project will vest in the National Skills Fund who has the right to allow any other individual, company, agency or organisation to use or modify the product for any purpose;
 - 14.1.8 The service provider must make provision on its own premises for:
 - all IT equipment and software required
 - office space and facilities

- printing, binding and related services
- communications infrastructure and costs

14.1.9 The Service Provider must allocate dedicated staff to the project.

15. COMPLETION OF ALL DOCUMENTATION

15.1 Service providers are required to complete all the standard RFQ documentation attached and submitted with the technical and financial submissions and original tax clearance certificate.

16. ADDITIONAL PRESCRIPTS TO BE INCLUDED IN ALL NSF TERMS OF REFERENCES FOR RFQ AND REQUESTS FOR QUOTATIONS

16.1 In terms of section 76(4)(c) of the Public Finance Management Act, 1999 (Act No 1 of 1999) (PFMA), the National Treasury may make regulations or issue instructions applicable to all institutions to which the PFMA applies concerning the determination of a framework for an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective. The National Treasury subsequently issued National Treasury Instruction Note 3 of 2021/2022 in terms of section 76(4)(c) of the PFMA.

16.2 In terms of paragraph 5.1 of National Treasury Instruction Note 3 of 2021/22, only the Director-General of Higher Education and Training, as accounting authority of the NSF may

- a) expand a contract by increasing the scope of work; or
- b) vary a contract by changing the scope of work.

16.3 Paragraph 5.4 states that the accounting authority (AA) must in a format determined by National Treasury, submit a monthly report, including the reasons for the expansion or variation, to the relevant treasury and the AGSA, if a contract for

- 16.3.1 construction related goods, works and services or both is expanded or varied by more than 20% or R20 million (including all applicable taxes), whichever is the lesser; and/or

16.3.2 all other goods and services or both is expanded or varied by more than 15% or R15 million (including applicable taxes), whichever is lesser.

16.4 In terms of paragraph 5.5 of the above-mentioned National Treasury Instruction Note, the AA must record expansions or variations referred to in paragraph 5.4 in the annual report of the institution in a format determined by the National Treasury.

16.5 Once appointed, service providers shall adhere to the above-mentioned prescripts as follows:

- a) Service providers shall not provide any goods and services that exceed the order amount.
- b) Service providers shall refrain from providing any additional goods and services that exceed the order amount, unless prior written approval for the variation has been granted by the Director-General of Higher Education and Training, as the accounting authority of the NSF, or his / her delegated official.

16.6 NSF shall not be liable to reimburse the appointed service provider for any goods or services that exceed the order amount, incl. approved variations thereon.

16.7 20. NSF shall not be liable to reimburse the appointed service provider for any goods or services where such goods and services have been rendered prior to obtaining the order (incl. variation orders) therefore.

17. TIMELINE OF THE RFQ PROCESS

17.1 The relevant project timeframes in terms of this RFQ are indicated as follows:

Activity	Date
Advertisement of the RFQ	19 November 2025
The RFQ closing date	4 December 2025

18. SUBMISSION OF PROPOSAL

18.1 The following procedure must be followed for RFQ submissions.

18.1.1 The first part of the proposal must clearly state TECHNICAL SUBMISSION, wherein the bidder should address all aspects of the technical submission.

18.1.2 The second part of the proposal must clearly state FINANCIAL SUBMISSION, wherein the bidder should include the proposed fee for the project.

18.2 The following must be submitted:

18.2.1 Electronic proposals in PDF must be submitted to rfq@nsf.org.za.

18.2.2 Submissions must be quality checked by the bidders to ensure it is clearly visible.

(Failure to submit the required electronic documentation within due date will lead to disqualification)

18.2.3 Three (3) hard copies of the bid (one document must be the original and contain the signed mandatory SCM documents and two copies of the original)

18.3 The deadline to submit the quotes and relevant documentation is 4 December 2025 at 11:00.

18.4 The bid must be submitted to Ms Muano Tshilande during office hours (08:00 to 16:00) from Monday to Friday. Note: The NSF address is Ndinaye House at No. 178 Francis Baard Street and not No. 123. Proposals received after closing time and date are late and will NOT be considered.

19. CONTENT OF THE TECHNICAL SUBMISSION

The technical submission should include the following:

19.1 Cover Page

19.2 Company and contact information of the bidder, including all parties/team members of the company/consortium where applicable.

19.3 Mandatory SCM documents

19.4 Introduction and Executive Summary

20. ENQUIRIES

All enquiries regarding these Terms of Reference should be addressed to:

Technical enquiries: Ms Cindy Smit

Email address: CindyS@nsf.org.za

SCM enquiries: Ms Fundisiwe Gajana

Email address: rfq@nsf.org.za

Annexure B: Service provider reference letter

**Reference letter to be printed on bidders' client/reference's
letterhead Insert date**

To Whom It May Concern

**REFERENCE: EXTERNAL QUALITY ASSESSMENT PROVIDED BY [INSERT
BIDDERS NAME]**

[Insert bidder name] performed an external quality assessment to [insert client/reference name] during the period [specify period].

The rating of services as rendered by [insert bidder's name] is as follows:

No	Evaluation Criteria	Rating	Remarks / Comments
1	External quality assessment completed as per agreed methodology in compliance with required standards		
2	External quality assessment completed within the allocated time		
3	Sufficient capacity (number of staff, level, experience, suitably qualified) provided throughout the assignment		
4	Quality of completed report and recommendations		
5	Overall assessment of value-for-money for services rendered		
	Total score out of 25		
	<u>Average score</u> Total score out of 25 divided by 5 (score / 25)		

Rating scale:

Rating	Description
0	Poor / below average
1	Average
3	Good / satisfactory
4	Very good
5	Excellent



Any other comments (if relevant)

Contact details and signature of reference (bidders' client)

Name and surname:	
Designation:	
Email:	
Telephone:	
Signature:	
Date:	

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO.:
CLOSING TIME 11:00	CLOSING DATE.....

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)	
1.	The accompanying information must be used for the formulation of proposals.		
2.	Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.	R.....	
3.	PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)		
4.	PERSON AND POSITION	HOURLY RATE	DAILY RATE
	-----	R-----	-----
	-----	R-----	-----
	-----	R-----	-----
	-----	R-----	-----
	-----	R-----	-----
5.	PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT		
	-----	R-----	----- days
	-----	R-----	----- days
	-----	R-----	----- days
	-----	R-----	----- days
5.1	Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.		
	DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY AMOUNT
	-----	.....	..... R.....
	-----	.....	..... R.....
	-----	.....	..... R.....
	-----	.....	..... R.....
		TOTAL: R.....	

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

Name of Bidder:

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

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

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

***[DELETE IF NOT APPLICABLE]**

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

Tel:

Or for technical information –
(INSERT NAME OF CONTACT PERSON)

Tel:

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship

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.

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether 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 bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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.

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

(Delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the **80/20** preference point system.
- b) **80/20 preference point system** will be applicable in this tender. The lowest/highest acceptable tender will be used to determine the accurate system once tenders are received.

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 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Were

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = 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

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.)

NO	SPECIFIC GOALS	REFERENCE	CRITERIA	POINTS	TOT POINTS	POINTS CLAIMED	PROOF/EVIDENCE
1	Person historically disadvantaged on the basis of race.	RDP 1.4.4. 3.1.4	100% black owned	10	10		A CIPC certificate of the tenderer and CSD report.
			75%-99% black owned	8			
			60-74% black owned	6			
			51%-59% black owned	3			
			0-59% black owned	0			
2	Development of SMME's	RDP 3.10: 3.1.4	Micro-5 employees; R5m t/o	10	10		CIPC registration, financial statements or audited financial statement or audit report.
			Very small-20 employees; R10 m t/o	8			
			Small- 50 employees; R25m t/o	6			
			Medium- 200 employees; R50m t/o	3			
			None	0			

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:	.....

**GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT**

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
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13. Incidental services
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15. Warranty
16. Payment
17. Prices
18. Contract amendments
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20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 ”Force majeure” means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

- 1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 “GCC” means the General Conditions of Contract.
- 1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 “Project site,” where applicable, means the place indicated in bidding documents.
- 1.21 “Purchaser” means the organization purchasing the goods.
- 1.22 “Republic” means the Republic of South Africa.
- 1.23 “SCC” means the Special Conditions of Contract.
- 1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance security**
- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

**8. Inspections,
tests and
analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with

supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard

the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security,

damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.