



**forestry, fisheries
& the environment**

Department:
Forestry, Fisheries and the Environment
REPUBLIC OF SOUTH AFRICA

INVITATION TO BID

BID REFERENCE NUMBER: MLRF 201/23

APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE MARINE LIVING RESOURCE FUND (MLRF) FOR A PERIOD OF THIRTY-SIX (36) MONTHS.

Contact person:

Name: Ms Talitha Bikani/ Mr Lwandisa Hoza

Office Telephone No: (021) 402 3260/ (021) 402 3425

E-Mail: MLRFTENDERS@DFFE.GOV.ZA

NATIONAL TREASURY CENTRAL SUPPLIER DATABASE (CSD) REGISTRATION INFORMATION

| Company name | Supplier registration number | Unique reference number |
|---------------------|-------------------------------------|--------------------------------|
| | | |
| | | |
| | | |

CLOSING DATE OF THE BID: 13 OCTOBER 2023 AT 11H00

Briefing session:

A compulsory briefing session will be held on the 03rd of October 2023 (Tuesday) at 10:00. Link can be requested from MLRFTENDERS@DFFE.GOV.ZA

MS TEAMS DETAILS ARE AS FOLLOWS:

Meeting ID: 322 980 591 964

Passcode: 4M9V7z

DROP OFF ADDRESS:

The location of the drop off is: Tender Box, Ground Floor, Foretrust Building, 2 Martin Hammerschlag Way, Foreshore, Cape Town, 8001

PART A INVITATION TO BID

| | | | | | |
|---|--|---------------|---|--|---|
| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY) | | | | | |
| BID NUMBER: | MLRF201/23 | CLOSING DATE: | 13 OCTOBER 2023 | CLOSING TIME: | 11:00 |
| DESCRIPTION | APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE MARINE LIVING RESOURCE FUND (MLRF) FOR A PERIOD OF THIRTY-SIX (36) MONTHS. | | | | |
| BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS) | | | | | |
| GROUND FLOOR, FORETRUST BUILDING | | | | | |
| MARTIN HAMMERSCHLAG WAY | | | | | |
| FORESHORE, CAPE TOWN, 8001 | | | | | |
| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO | | | TECHNICAL ENQUIRIES MAY BE DIRECTED TO: | | |
| CONTACT PERSON | Ms. Talitha Bikani | | CONTACT PERSON | Mr Lwandisa Hoza | |
| TELEPHONE NUMBER | 021-402 3260 | | TELEPHONE NUMBER | 021-402 3425 | |
| E-MAIL ADDRESS | MLRFtenders@dffe.gov.za | | E-MAIL ADDRESS | MLRFtenders@dffe.gov.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 |
| 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, 2022, 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:

.....

**Application for a Tax Clearance Certificate****Purpose**Select the applicable optionTenders ☐ Good standing ☐

If "Good standing", please state the purpose of this application

| |
|--|
| |
| |

Particulars of applicantName/Legal name
(Initials & Surname
or registered name)Trading name
(If applicable)

ID/Passport no

Company/Close Corp.
registered no

Income Tax ref no

PAYE ref no 7

VAT registration no 4

SDL ref no L

Customs code

UIF ref no U

Telephone no

Fax
no

E-mail address

Physical address

Postal address

Particulars of representative (Public Officer/Trustee/Partner)

Surname

First names

ID/Passport no

Income Tax ref no

Telephone no

Fax
no

E-mail address

Physical address

Particulars of tender (If applicable)Tender number Estimated Tender amount R Expected duration of the tender year(s)**Particulars of the 3 largest contracts previously awarded**

| Date started | Date finalised | Principal | Contact person | Telephone number | Amount |
|--------------|----------------|-----------|----------------|------------------|--------|
|--------------|----------------|-----------|----------------|------------------|--------|

Audit

Are you currently aware of any Audit investigation against you/the company? YES NO

If "YES" provide details

Appointment of representative/agent (Power of Attorney)I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

Date

Name of representative/agent

Declaration

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer

Date

Name of applicant/Public Officer

Notes:

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
 - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - without just cause shown by him, refuses or neglects to-
 - furnish, produce or make available any information, documents or things;
 - reply to or answer truly and fully, any questions put to him ...

As and when required in terms of this Act ... shall be guilty of an offence ...
- SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
- Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:

BID NO.: MLRF201/23

CLOSING TIME 11H00

CLOSING DATE: 13 OCTOBER 2023

OFFER TO BE VALID FOR **120 DAYS** FROM THE CLOSING DATE OF BID.

| ITEM NO | DESCRIPTION | BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED) |
|------------|-------------|--|
|------------|-------------|--|

APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE MARINE LIVING RESOURCE FUND (MLRF) FOR A PERIOD OF THIRTY-SIX (36) MONTHS.

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 –

DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT

Contact Person: Ms. Talitha Bikani
 Contact Number: 021 402 3260
 E-Mail: MLRFtenders@dffe.gov.za

Or

Contact Person: Mr. Lwandisa Hoza
 Contact Number: 021 402 3425
 E-Mail: MLRFtenders@dffe.gov.za

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.

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

| | |
|-----------|----------------|
| | |
| Signature | Date |
| | |
| Position | Name of bidder |

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 90/10 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) Either the 90/10 or 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 OR 90/10 PREFERENCE POINT SYSTEMS

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

| | | |
|---|-----------|--------------|
| 80/20 | or | 90/10 |
| $Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right) \text{ or } Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$ | | |

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

| The specific goals allocated points in terms of this tender | Number of points allocated (90/10 system) (To be completed by the organ of state) | Number of points allocated (80/20 system) (To be completed by the organ of state) | Number of points claimed (90/10 system) (To be completed by the tenderer) | Number of points claimed (80/20 system) (To be completed by the tenderer) |
|--|--|--|--|--|
| 51% Black ownership | N/A | 8 | N/A | |
| 50% Women ownership | N/A | 4 | N/A | |
| Youth ownership | N/A | 4 | N/A | |
| Disability | N/A | 4 | N/A | |
| Non-compliant contributor | N/A | 0 | N/A | |

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:

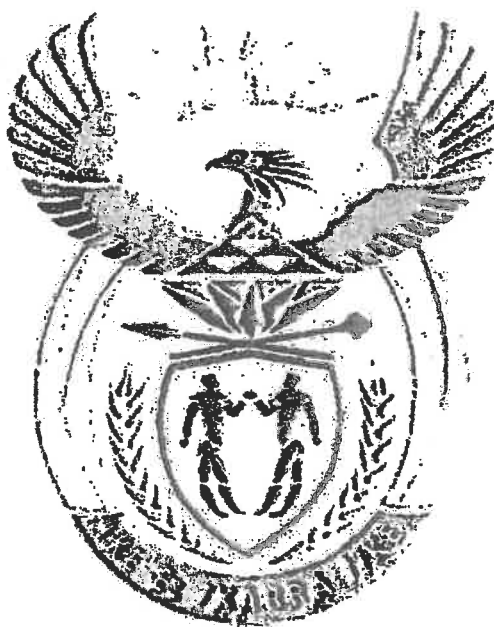
.....

.....

.....

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

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
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
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)
34. Prohibition of restrictive practices

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 with 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 markets 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 | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p> |
| 17. Prices | <p>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.</p> |
| 18. Contract amendments | <p>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.</p> |
| 19. Assignment | <p>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.</p> |
| 20. Subcontracts | <p>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.</p> |
| 21. Delays in the supplier's performance | <p>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.</p> <p>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.</p> <p>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.</p> <p>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</p> |

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. |
| 34 Prohibition of Restrictive practices | 34.1 | In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging). |
| | 34.2 | If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998. |

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Js General Conditions of Contract (revised July 2010)

MARINE LIVING RESOURCES FUND

Foretrust Building, Martin Hammettschlag Way, Foreshore, Cape Town, 8001 or Private Bag 12, ROGGEBAU, 8013 (FASCMLE NO.021-4023228)

MLRF ENTITY MAINTENANCE AND CREDIT ORDER INSTRUCTION

(Please complete or mark with a "X" in black ink where applicable. A bank stamp is required to verify your banking details. In case of a cheque account a cancelled cheque must be included. Please return form by post or by hand delivery or by facsimile.)

| | | | | | | | |
|---------|------------------------------|---------------------------------|-------------|-----------------------------------|-------------------------------------|-----------------------------------|--------------------------------|
| TAKE-ON | <input type="checkbox"/> NEW | <input type="checkbox"/> UPDATE | ENTITY TYPE | <input type="checkbox"/> BUSINESS | <input type="checkbox"/> DEPARTMENT | <input type="checkbox"/> EMPLOYEE | <input type="checkbox"/> OTHER |
|---------|------------------------------|---------------------------------|-------------|-----------------------------------|-------------------------------------|-----------------------------------|--------------------------------|

| | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|----------------------|----------------------------|----------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| FROM: CREDITOR / ENTITY (DETAILS) | TITLE | | | | | | | | | | | | | | | | | | | | | | | | | |
| | SURNAME | | | | | | | | | | | | | | | | | | | | | | | | | |
| | FIRST NAME/S | | | | | | | | | | | | | | | | | | | | | | | | | |
| | BUSINESS NAME | | | | | | | | | | | | | | | | | | | | | | | | | |
| | TRADING NAME | | | | | | | | | | | | | | | | | | | | | | | | | |
| | BUSINESS REG No. | | | | | | | | | | | | | | | | | | | | | | | | | |
| | VAT REGISTERED | <input type="checkbox"/> Y | <input type="checkbox"/> N | | | | | | | | | | | | | | | | | | | | | | | |
| | VAT REGISTRATION NO. | | | | | | | | | | | | | | | | | | | | | | | | | |
| | ID NO: | | | | | | | | | | | | | | | | | | | | | | | | | |
| | DEPARTMENT NAME | | | | | | | | | | | | | | | | | | | | | | | | | |
| PERSAL NO. * | | | | | | | | | | | | | | | | | | | | | | | | | | |

* For employees only

| | | | | | | | | | | | | | | | | | | | | | | | | | | |
|------------------------|------------------------------|--|--|--|--|--|--|--|--|--|---------------|---------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| CONTACT DETAILS | STREET / PHYSICAL ADDRESS | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | POSTAL ADDRESS | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | BUSINESS TELEPHONE No. | | | | | | | | | | | DIALLING CODE | | | | | | | | | | | | | | |
| BUSINESS FACSIMILE No. | | | | | | | | | | | DIALLING CODE | | | | | | | | | | | | | | | |
| NAME OF CONTACT PERSON | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E-MAIL ADDRESS | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CELLULAR TELEPHONE No. | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|----------------------------------|----------------------------------|---------------------------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| DETAILS OF FINANCIAL INSTITUTION FOR ELECTRONIC BANKING TRANSFERS: | | BANK DATE STAMP (COMPULSORY) | | | | | | | | | | | | | | | | | | | | | | | | |
| BANK NAME: | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BRANCH NAME & CITY/TOWN | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BRANCH NUMBER/CODE | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ACCOUNT NUMBER | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ACCOUNT TYPE | <input type="checkbox"/> CURRENT | <input type="checkbox"/> SAVINGS | <input type="checkbox"/> TRANSMISSION | | | | | | | | | | | | | | | | | | | | | | | |

I / We hereby request, instruct and authorise you to pay any amounts which may accrue to me / us to the credit of my / our account with the abovementioned bank.

I / We understand that the credit transfers hereby authorised will be processed electronically through a system known as the "ACB ELECTRONIC FUNDS TRANSFER SERVICE", and I / we also understand that no additional advice of payment will be provided by my / our bank. Details of each payment will be printed on my / our bank statement or any accompanying voucher.

I / We understand that a payment advice will be supplied by the Marine Living Resource Fund in the normal way, and that it will indicate the date on which funds will be available in my / our account.

This authority may be cancelled / changed by giving prior written notice, by way of registered post or facsimile.

| | | | | | | | | | | | | | | | | | | | | | |
|------------------------------------|--|--|--|--|--|--|--|--|--|--|-----------------------|----------------------|----------------------|----------------------|--|--|--|--|--|--|--|
| SIGNATURE OF AUTHORISED PERSON | | | | | | | | | | | POSITION HELD | | | | | | | | | | |
| PRINT NAME OF AUTHORISED PERSON | | | | | | | | | | | DATE (DD/MM/YYYY): | <input type="text"/> | <input type="text"/> | <input type="text"/> | | | | | | | |



forestry, fisheries & the environment

Department:
Forestry, Fisheries and the Environment
REPUBLIC OF SOUTH AFRICA

THE MARINE LIVING RESOURCES FUND, A SCHEDULE 3A PUBLIC ENTITY ESTABLISHED IN TERMS OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999 (ACT NO 1 of 1999) AND THE DEPARTMENT OF FORESTRY, FISHERIES AND ENVIRONMENT ("DFFE") (IN ITS COMMITMENT TO THE PRINCIPLES ENSHRINED IN THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA, 1996) ADHERES TO THE PROVISIONS OF THE BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT, 53 OF 2003 (B-BBEE), THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 5 OF 2000 ("PPPF") AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022.

TERMS OF REFERENCE

MLRF201/23: APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE MARINE LIVING RESOURCE FUND (MLRF) FOR A PERIOD OF THIRTY-SIX (36) MONTHS.

TABLE OF CONTENTS

| | |
|--|----|
| 1. PURPOSE | 3 |
| 2. INTRODUCTION AND BACKGROUND | 3 |
| 3. VIRTUAL COMPULSORY BRIEFING SESSION | 3 |
| 4. SCOPE AND EXTENT OF WORK | 4 |
| 5. EXPECTED DELIVERABLES / OUTCOMES | 5 |
| 6. PERIOD / DURATION OF APPOINTMENT | 7 |
| 7. COSTING / COMPREHENSIVE BUDGET | 7 |
| 8. EVALUATION METHOD | 8 |
| 9. BID SUBMISSION REQUIREMENTS | 14 |
| 10. SPECIAL CONDITIONS OF CONTRACT | 15 |
| 11. PAYMENT TERMS | 17 |
| 12. ENQUIRIES | 18 |

1. PURPOSE

- 1.1** The purpose of this Request for Bid (RFB) is to obtain bids from prospective independent service providers for the provision of a co-source Internal Audit (IA) service at the Marine Living Resource Fund (MLRF) for a period of thirty-six (36) months.
- 1.2** The Marine Living Resources Fund (MLRF) currently has a Internal Audit Department, however the department is not adequately resourced to address all the needs for the MLRF. Internal Audit currently has a resource deployed at the MLRF, however there is a need for additional capacity.
- 1.3** Bidders should note that the Department/Marine Living Resources Fund (MLRF) will monitor the process very closely and that bidders will be required to submit collaborative progress on a weekly basis to the Deputy Director: Internal Audit and the Director (CAE) and a status report on a quarterly basis and present such to Audit and Committee (AC) as and when required.

2. INTRODUCTION AND BACKGROUND

- 2.1** Section 51 of the Public Finance Management Act, 1999 (Act No.1 of 1999), paragraph 1(a)(ii) indicates that "An Accounting Authority for Public Entity must ensure that the Public Entity has and maintains a system of Internal Audit under the control and direction of an Audit Committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77;"
- 2.2** Regulation 27.2.2. of the National Treasury Regulation states that "All public entities to which these regulations apply must have an Internal Audit function".
- 2.3** Currently the Marine Living Resources Fund (MLRF) has an Internal Audit function which reports to the Internal Audit function situated in the Office of the Director General (DG).
- 2.4** However, due to the current capacity, additional capacity is required to fill all the Internal Audit requirements for the MLRF.
- 2.5** It is against this background that the MLRF requires the services of a service provider to provide internal audit services to the entity.
- 2.6** The external audit services are performed by the Office of the Auditor-General of South Africa (AGSA).
- 2.7** The Internal Audit team is expected to liaise closely with the Office of the AGSA to avoid unnecessary duplication of work.

3. VIRTUAL COMPULSORY BRIEFING SESSION

- 3.1** To ensure that service providers understand what is required from them with regards to this tender, bidders must attendance of a compulsory briefing session. The sessions will take place as follows:
 - 03 October 2023 at 10:00 pm

The link for the sessions can be requested via email:

| Name | Email address |
|-------------------|--|
| Mr Lwandisa Hoza | MLRFtenders@dfpe.gov.za |
| Ms Talitha Bikani | |

**Bidders should use "MLRF201/23: Briefing Session" as the subject of the email of requesting link for the briefing session.*

4. SCOPE AND EXTENT OF WORK

- 4.1** The scope of the co-sourced IA service includes at least the under-mentioned. Any other functions that may be required by the service provider may be offered and/or clearly defined.
- 4.2** The co-sourced IA, in consultation with the Directorate: Internal Audit and the Audit and Committee (AC), will provide input for the following:
- The rolling three (3)-year strategic IA plan based on an assessment of key risk areas of the MLRF, having regard to its current operations, the proposed operations in the MLRF's strategic plan and its risk management strategy.
 - The risk-based annual operational IA plan.
 - Plans indicating the scope, cost and timelines of each audit area contained in the annual operational plan mentioned in (b) above.
 - Progress reports to the AC detailing its performance against the IA plans to allow effective monitoring and intervention.
- 4.3** The co-sourced service provider will ensure that audits as planned in the IA plan are performed in line with the MLRF Internal Audit methodology and the Institute of Internal Audit standards.
- 4.4** The IA function must coordinate with other internal and external assurance providers to ensure adequate coverage and to minimise duplications.
- 4.5** The IA function must assist Management in maintaining effective controls by evaluating the control environment, the system of internal control through audit assignments and providing recommendations for the enhancement of existing processes through which:
- Objectives and values are established and communicated.
 - Achievement of objectives is monitored.
 - Accountability is ensured.
 - Corporate values are preserved.
 - The adequacy and effectiveness of the system of internal controls are reviewed and appraised.
 - The relevance, reliability and integrity of management, financial and operating data and reports are appraised.
 - Systems established to ensure compliance with policies, plans, procedures, statutory requirements and regulations, which could have a significant impact on operations.
 - The safeguarding assets are reviewed and, as appropriate, verifying the existence of such assets.

- i) The economy, efficiency and effectiveness with which resources are employed are appraised.
- j) The results of operations or programmes are reviewed to ascertain whether results are consistent with the MLRF's established objectives and goals, whether the operations or programmes are being carried out as planned.
- k) The adequacy of established systems and procedures are assessed.

4.6 In planning and conducting its work, the service provider should seek to identify serious defects in the internal controls, which might result in possible maladministration. Any such defects must be reported immediately to the Director: Internal Audit (DIA), Director-General (DG) , and/or the Audit Committee, without disclosing said defects to any other staff member. This also applies to instances where fraudulent irregularities are uncovered.

4.7 The proposed experts and audit team to be deployed to the MLRF should be registered with the Institute of Internal Auditors and other relevant professional bodies as required in Section 8 below.

4.8 The Curriculum Vitae (CVs) for proposed experts or audit team and the service provider must guarantee the availability of the same skill and experience should an audit team member have to leave the project.

4.9 In addition to the above, the skills, including but not limited to the below, are required:

- a) The project requires the services of service provider possessing practical and technical competencies in Internal Auditing.
- b) Understanding of the International Standards of Professional Practice in Internal Auditing and including but not limited to extensive experience in conducting IT and Financial Internal Audits engagements in the public sector.
- c) A thorough understanding of the Public Finance Management Act (PFMA), General Recognised Accounting Practises (GRAP) and National Treasury Regulations;
- d) Project Management skills and experience.

5. EXPECTED DELIVERABLES / OUTCOMES

5.1 The internal Audit Methodology

The service provider must demonstrate an in-depth understanding of risk-based audit by providing independent, objective assurance and consulting activity designed to add value and improve the MLRF's operations. The methodology must demonstrate how the service provider will assist the MLRF to develop and implement the annual audit plan and three-year audit plan. The methodology and approach must illustrate how the service provided will assist the MLRF to manage key risks to achieve the desired outcome and how the service provider will add value to the MLRF to improve performance.

5.2 Performance of audit assignments

All audit assignments are to be carried out according to the annual audit plan and three-year strategic IA plan, as approved by Management and the AC. Each audit assignment should at least consist of the following:

- a) Pre-audit survey.
- b) An engagement/notification letter.
- c) Audit Planning Memorandum (APM).
- d) Minutes of opening and closing meetings.
- e) Risk assessment document.
- f) Systems description/documentation.
- g) Audit programmes.
- h) Sampling methodology.
- i) Mechanisms for follow-up on progress of the implementation of management agreed action plans and feedback to Management and the AC.
- j) Mechanism to ensure that working papers are reviewed at the appropriate level.
- k) Record of work performed (Audit Working Papers).
- l) Audit findings, root cause, the impact of risk, audit recommendations and management agreed action plans/dates.
- m) Reporting (draft IA report and final IA report).
- n) Presentation of the significant findings and critical audit findings to Management and/or the AC.
- o) Follow-up of previously reported internal/external audit findings.

5.3 Reporting Requirements

The structure of IA reports submitted by the co-sourced IA service provider should be as follows (Template to be shared with service provider on appointment):

- a) Introduction.
- b) Audit objectives and scope.
- c) Background.
- d) Executive summary highlighting significant and critical findings.
- e) Findings, audit recommendations and agreed management action plans, including implementation dates.
- f) Conclusion and/or audit opinion.
- g) The co-sourced service provider submit to the MLRF's electronic copies of the final IA report for onward submission to the DG, AC, and other interested parties as per the distribution list.
- h) The service provider will ensure that the working paper files conform to the Standards for the Professional Practice of the Institute of Internal Auditors (IIA Standards). The original audit file, reviewed by the director and such shall become the property of the MLRF and must be delivered with the final IA report.

5.4 Administration requirements

- a) The service provider will assist with documenting of the minutes for the Audit Committee.

6. PERIOD / DURATION OF APPOINTMENT

- 6.1 The contract with the appointed Service Provider will run for a period of thirty-six (36) months and will commence as agreed in the Memorandum of Agreement (MOA) signed between the MLRF and the Service Provider. The term of the contract will run from the date of approval of the Purchase Order.

7. COSTING / COMPREHENSIVE BUDGET

- 7.1 A comprehensive budget must be provided inclusive of all disbursement costs, expenses and VAT (SBD 3.3 for detailed and Annexure A - Price Schedule Guidance). Service provider must quote for all activities.
- 7.2 Bidders must utilise the attached SBD 3.3 and **Annexure A** - Price Schedule Guidance to provide a breakdown of the hourly tariff per Resource category, for the specified estimated hours, as required for the service, an estimated percentage of disbursements not exceeding 7% and Value Added Tax (VAT) where applicable, per year for the period of thirty-six (36) months.
- 7.3 Disbursements for expenses incurred by the service provider during the course of the audit will be reimbursed at a maximum 7% as per the tender submission. Expenditure incurred for travel between the offices or home of the Service Provider and the MLRF's offices in Cape Town, will not be separately charged to the Department.
- 7.4 In the event that an audit requires travel to another province or office of the MLRF outside of Cape Town, reasonable travel expenses may be claimed by the Service Provider as follows:
 - a) Accommodation is limited to a maximum of a three-star rated establishment, including meals and up to two (2) soft drinks per person. Accommodation rates are limited to a maximum of R1 530.00 (one thousand five hundred and thirty rands) per night (rates may be revised as guided by National Treasury), including meals and soft -drinks as per the proposed cost-containment measures instituted by the National Treasury at any given point in time.
 - b) Car hire limited to a Type B vehicle category, except where the use of an off-road vehicle, with higher ground clearance be required in terms of an audit.
 - c) Airflights are limited to economy class only;
 - d) Travel estimates must be included in the internal audit engagement plan submitted to the Director: Internal Audit; and
 - e) Claims for travel expenses will be reimbursed at cost only, and any travel expenses in terms of this clause must be supported by proof of expenditure and claims for milage should be in-line with the department rates and Travel Policy which includes VAT.

- 7.5** The Service Provider may source external expertise as required in the audit e.g., engineers, quantity surveyors and financial experts etc. These functions may be required dependent on the nature of the audit being performed by the Service Provider:
- a) any expert required, must be included in the internal audit engagement plan submitted to the Director: Internal Audit.
 - b) the rates applicable to the expert service shall be in accordance with the relevant rates as published by the professional body, the rates applicable will be limited to the rates indicated for the category Director / Partner as indicated in Annexure A; and
 - c) any expenditure for expert skills not included in the approved internal audit engagement plan will not be reimbursed by the Department.
- 7.6** The Marine Living Resource Fund (MLRF) has estimated total hours adding up to 2250 per year. The estimated hours are for evaluation purposes of the tender. The total amount for the thirty-six (36) months will be utilised for evaluation of bids using the 80:20-point scoring system.
- 7.7** The award will be based on the rates that will be provided by bidders using the breakdown listed in Annexure A as such forms an integral part of contract. The actual number of hours to be spent on this project will depend on the actual need during the project execution stage. Failure to comply will result in your bid being considered non-responsive.
- 7.8** Expenditure incurred without the prior approval of the Marine Living Resource Fund (MLRF) will not be reimbursed.
- 7.9** The Marine Living Resource Fund (MLRF) shall not pay for any unproductive or duplicated time spent by the service provider on any assignment as a result of staff changes, the use of contractors or re-drafting of reports due to errors, corrections or incorrect/incomplete findings.
- 7.10** Service providers must fully complete the pricing guidelines menu for pricing, which is valid for 120 days.
- 7.11** It is prohibited that the descriptions and quantities of items in the pricing schedule be amended except in the case that an alternative bid has been submitted. Non-compliance to the pricing instructions will result in disqualification.
- 7.12** MLRF reserves the right to negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including prices without offering the same opportunity to any other bidder(s) who have not been awarded the status of the preferred bidder(s).
- 7.13** MLRF reserve the right to benchmark and negotiate rates with successful bidder before award.
- 7.14** MLRF reserve the right to appoint more than one service provider. Prices should be quoted as per the pricing schedule below: Annexure A.

8. EVALUATION METHOD

- 8.1.** The evaluation for this bid will be carried out in four (4) phases:

- Phase 1: Pre-compliance
- Phase 2: Mandatory Requirement
- Phase 3: Functional and Technical Evaluation Criteria
- Phase 4: Price and Specific Goals

8.2. PHASE 1: PRE-COMPLIANCE OR INITIAL SCREENING

- a) During this phase bid documents will be reviewed to determine the compliance with Supply Chain Management Standard Bidding Documents and any other required returnable, tax matters and whether the Central Data Base (CSD) report has been submitted with the bid documents at the closing date and time of the bid. Bids which do not satisfy the compliance criteria will not be evaluated further.
- b) The bid proposal will be screened for compliance with administrative requirements as indicated below

| Item No. | Administrative Requirements | Check/Compliance | Non-submission may result in disqualification? |
|----------|--|---|--|
| 1 | SCM - SBD 1 - Invitation to Bid | Completed and signed | **NO |
| 2 | SCM - SBD 2 - Tax Clearance Certificate Requirements | CSD registration number/SARS PIN and CSD summary report | **NO |
| 3 | SCM - SBD 3.3 – Pricing Schedule | Completed and signed | **NO |
| 4 | SCM – NEW SBD 4 - Declaration of Interest | Completed and signed | **NO |
| 5 | SCM - NEW SBD 6.1 - Preference Points Claim Form in terms of the Preferential Procurement Regulations 2022 | Completed and signed. | **NO |
| 6 | In case of bids where Consortia / Joint Ventures, Consortia agreement signed by both parties must be submitted with bid proposal | JV agreement completed and signed, if applicable | **NO |

****NO** – MLRF reserves the right to send a request for information (RFI) to the service provider in the event of non-submission or incomplete documentation and to request a response within seven (7) days after the date of sending the RFI. If the documents are not submitted or completed in full within seven (7) days the MLRF will reject proposals and will not be further evaluated for Phase 2.

8.3. PHASE 2: MANDATORY REQUIREMENTS

- a) The following table must be completed by the bidder by answering YES OR NO and attach proof.
- b) Only bidders who achieve a "Yes" for all mandatory requirements and the required proof as per table below will proceed for evaluation to phase three (3).

| REQUIREMENT | REQUIRED PROOF TO BE SUBMITTED WITH BID | COMPLY: YES OR NO |
|---|--|-------------------------|
| 1. Bidder certification/ Affiliation requirements The bidder must have enterprise membership which is a Member of the Institute of Internal Auditors (IIA), or The South African Institute of Chartered Accountants (SAICA). | Provide a copy of a valid membership in the name of the company which is employed indicating the following: 1. Name of Enterprise; and 2. Date membership was granted. <i>*or a Letter confirming membership from the professional body will be accepted.</i> | |
| 2. Bidder certification/ Affiliation requirements Bidder must have a Certified Internal Auditor (CIA), or Chartered Accountant (CA) (SAICA) in charge of the project. | Provide a copy of valid professional certificate or qualification (CA or CIA) of a director or partner which is employed, indicating the following: i) Directors or Partners name; and ii) date professional certificate was issued. <i>*or a Letter confirming membership from the professional body will be accepted.</i> | |
| 3. Quality Assurance Review (QAR): Results of an QAR performed by an independent external service provider as required by the Internal Audit Standards. QAR should have been performed in the last five (5) years (Valid at time of closing date of the bid). | Bidder is required to provide QAR report issued to the Bidder with an overall result of Partially comply (PC) or General Compliant (GC) (Issued by an independent company) to substantiate company's adherence to the IIA standards and code of Ethics of the Institute of Internal Auditors. <i>*QAR report to be issued in the name of the bidder. QAR report in the name of the client will not be acceptable.</i> | |

8.4. PHASE 3: FUNCTIONALITY AND TECHNICAL CRITERIA

- a) Only bid proposals that meets phase one (1) and phase two (2) will be considered to be evaluated on functionality and technical criteria.
- b) The bidder must score a minimum average of 70% during Phase 3 (functionality / technical) of the evaluation to qualify for Phase 4 of the evaluation will be considered. Should a bidder score less than 70% on functionality criteria, the bidder will be disqualified.

c) The following values / indicators will be applicable when evaluating functionality:

| PHASE 3 | | | | |
|---------|---|--|-----------|--------|
| NO | GUIDELINES FOR CATEGORY CRITERIA | FUNCTIONALITY AND TECHNICAL ASSESSMENT (GUIDELINES FOR CRITERIA APPLICATION) | | WEIGHT |
| 1 | <p>Bidder's or Company's related experience with evidence of successful completion of audit projects in the public sector.</p> <p>Bidder to attach reference letters from clients on previous work successfully completed.</p> <p>The letters must be in the client's letterhead, indicating the type of project, and the role of the bidder in that project. The letter must be signed by the client and have the details of the contact person.</p> <p>*Purchase orders/appointment letters/contracts will not be accepted.</p> <p>**At least 1 of the reference letters should clearly indicate experience in financial statement review based on the financial reporting principles of GRAP.</p> | The company must demonstrate that it has executed similar projects in the public sector. | Indicator | 25 |
| | | Evidence of completed projects will be taken only from a referral or reference letter/s. | | |
| | | 0 Project completed with duly signed Completion Certificates/References Letter/s | 0 | |
| | | 1-2 Projects completed with duly signed Completion Certificates/References Letter/s | 1 | |
| | | 3 Projects completed with duly signed Completion Certificates/References Letter/s | 2 | |
| | | 4 Projects completed with duly signed Completion Certificates/References Letter/s | 3 | |
| | | 5 Projects completed with duly signed Completion Certificates/References Letter/s | 4 | |
| 2 | <p>Capability/ expertise of the Project Manager to be assigned to the project in auditing, internal audit, and risk management in the public service.</p> <p>Project Manager proposed to be employed on the project. Curriculum Vitae are to include specific details of the proposed individuals including, inter alia, relevant experience and to include contactable reference, relevant qualifications, professional registration and past experience in Internal Audit in the public service.</p> <p>Relevant qualifications (CIA/CA with Post graduate diploma/Honours degree or above) and experience of the</p> | A certified copy of the qualification/s or of the project manager. | Indicator | 25 |
| | | No qualification (s) attached/ submitted | 0 | |
| | | A Relevant bachelor's degree/B Tech in Auditing or Accounting | 1 | |
| | | A Post Graduate diploma/Honors degree qualification (s) | 2 | |
| | | Certified Internal Audit (CIA) | 3 | |
| | | A Post Graduate diploma/Honors degree qualification (s) AND Certified Internal Audit (CIA) | 4 | |
| | | A Master's degree qualification or CA(SA) | 5 | |

| | | | | |
|-------------------------------|---|--|-----------|--------|
| | PHASE 3 | | | |
| NO | GUIDELINES FOR CATEGORY CRITERIA | FUNCTIONALITY AND TECHNICAL ASSESSMENT (GUIDELINES FOR CRITERIA APPLICATION) | | WEIGHT |
| | Project Manager who will be key to the project or engagement. | | | |
| 3 | Capability/ expertise and experience of the Project Manager to be assigned to the project in auditing, internal audit and risk management in the public service. Curriculum Vitae are to include specific details of the proposed individuals including, inter alia, relevant experience and to include contactable reference, relevant qualifications, professional registration, and past experience in Internal Audit in the public service. Annexure B – to be utilized for CVS. | Bidder(s) should submit Curriculum Vitae for the Supervisor/Project Manager proposed to be employed on the project. | Indicator | 25 |
| | | Less than one year experience | 0 | |
| | | 1 and less than 2 years' experience | 1 | |
| | | 2 and less than 3 years' experience | 2 | |
| | | 3 and less than 5 years' experience | 3 | |
| | | 5 and less than 6 years' experience | 4 | |
| | | 6 and more years of experience | 5 | |
| 4 | Capability/ expertise and experience of the Engagement Director/Partner to be assigned to the project in auditing, internal audit and risk management in the public service. Bidder(s) should submit Curriculum Vitae for the Engagement Director/Partner proposed to be employed on the project. Curriculum Vitae are to include specific details of the proposed individual including, inter alia, relevant experience and to include contactable reference, relevant qualifications, professional registration and past experience in Internal Audit in the public service. Annexure B – to be utilized for CVS. | Bidder(s) should submit Curriculum Vitae for the Engagement Director/Partner proposed to be employed on the project. | Indicator | 25 |
| | | Less than one year experience | 0 | |
| | | 1 and less than 2 years' experience | 1 | |
| | | 2 and less than 3 years' experience | 2 | |
| | | 3 and less than 5 years' experience | 3 | |
| | | 5 and less than 6 years' experience | 4 | |
| | | 6 and more years of experience | 5 | |
| Total points on functionality | | | | 100 |

8.5. PHASE 4: PREFERENCE POINT SYSTEM (PRICE AND SPECIFIC GOALS)

- 8.4.1.** Only bid proposals that meet phase one (1), two (2) and three (3) will be evaluated on functionality and technical criteria.
- 8.4.2.** An evaluation of Price and Specific Goals Preference points on the suppliers, that successful qualified to this stage of evaluation.
- 8.4.3. Calculation of points for price** - The Preferential Procurement Policy Framework Act (PPPFA) prescribes that the lowest acceptable bid will score 80 points (for tenders under R50m) or 90 points (for tenders above R50m) for price. Suppliers that quoted higher prices will score lower points for price on a pro-rata basis. Where functionality is set as criteria, only bid proposals that meets functionality requirements will be considered for evaluation on price and specific goals preference points.
- 8.4.4.** The 80/20 as an appropriate preference point system will be used in the evaluation and adjudication of this quote. However, it must be extended that the lowest acceptable quote will be used to determine the applicable preference point system as per regulation (Section 3(2)(b) of the Preferential Procurement Regulations (PPR) 2022, which states: "If it is unclear which preference point system will be applicable, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable proposal will be used to determine the applicable preference point system". Therefore, either 80 or 90 points, depending on the rand value of the proposal, will be awarded to the suppliers who offers the lowest price, and proportionately fewer points are awarded to those with higher prices. Either 20 or 10 points are then available as preference points for Specific Goals, as applicable. The contract will be awarded to the suppliers that scores the highest total number of adjudication points per category.

Calculating of points for Specific Goals.

- 8.4.5.** Points will be awarded to a supplier for specific goals. Bidders are required to submit the original and valid proof for preference points claimed or certified copies thereof; to substantiate their preference points claims. SBD 6.1 must also be duly completed, signed, and submitted alongside the bid to claim preference points. Failure to do so will result in Specific Goals preference points being forfeited.
- 8.4.6.** The 80/20 as an appropriate preference point system will be used in the evaluation and adjudication of this quotation. However, it must be extended that the lowest acceptable supplier will be used to determine the applicable preference point system as per regulation (Section 3(2)(b) of the Preferential Procurement Regulations (PPR) 2022, which states: "If it is unclear which preference point system will be applicable, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable supplier will be used to determine the applicable preference point system". Therefore, either 80 or 90 points, depending on the rand value of the quotation, will be awarded to the suppliers who offers the lowest price, and proportionately fewer points are awarded to those with higher prices. Either 20 or 10 points are then available as preference points for specific goals, as applicable. The contract will be awarded to the suppliers that scores the highest total number of adjudication points per category.

8.4.7. Points will be awarded to a supplier for specific goals in accordance with the table below:

| | | |
|-----------|---------------------------|------------------------------|
| A. | PRICE | 80 |
| B. | Specific Goal | Number of points (20) |
| | 51% black ownership | 8 |
| | 50% women ownership | 4 |
| | Youth ownership | 4 |
| | Disability | 4 |
| | Non-compliant contributor | 0 |

*The definitions of the above specific goals are as per the PPR policy of the MLRF.

- 8.4.8.** The SCM unit of the MLRF will allocate preferential points (Specific Goals) to each company for its contribution towards empowerment of the black designated groups as prescribed in the Preferential Procurement Regulations of 2022, women, people with disabilities, youth as well as local economic development.
- 8.4.9.** A supplier will not be disqualified from the quotation process if the suppliers does not submit supporting documents substantiating the specific goals preference points claimed or is a non-compliant contributor. Such some suppliers will score 0 for Specific Goals.
- 8.4.10.** Suppliers will be subject to SCM conditions of the MLRF and the Preferential Procurement Regulations, 2022 issued in terms of section 5 of the Preferential Procurement Policy Framework Act (Act No 5 of 2000) (PPPFA).
- 8.4.11.** The PPPFA prescribes that the lowest acceptable bid will score 80 or 90 points for price (as explained above, depending on whether the bid prices is more or less than R50million). Suppliers that quoted higher prices will score lower points for price on a pro-rata basis. Where functionality is set as a criterion, only bid proposals that meets functionality requirements will be considered and to be evaluated on price and Specific Goals.
- 8.4.12.** The contract will be awarded to the supplier scoring the highest points subject to section 2(1) (f) of the PPPFA, 2000.

9. BID SUBMISSION REQUIREMENTS

- 9.1.** All completed documentation must be returned to the Marine Living Resource Fund (MLRF) the entity of the Department of Forestry, Fisheries and the Environment (DFFE) on or before 11:00 on the 13th of October 2023. The location of the drop off is: Tender Box, Ground Floor, Foretrust Building, 2 Martin Hammerschlag Way, Cape Town, 8000.
- 9.2.** Bidders should ensure that the following submission requirements, which will be needed for evaluation purposes are included in their bid proposal and are as follows:

- 9.2.1. The bidder must draft a table of content which will indicate where each document is located in the proposal.
- 9.2.2. The proposal shall consist of two parts, namely the technical bid and the pricing bid (master and copies).
- 9.2.3. Completed table of mandatory requirements, as set out in the table in paragraph 9.4.2 of this document, together with all necessary supporting documents and required documentary proof.
- 9.2.4. Standard bidding documents (SBD1, 2, 3.3, 4, and 6.1) completed and signed.
- 9.2.5. A valid copy of the Tax Clearance Certificate/ Tax Compliance Status Pin issued by SARS to the supplier/copy of Central Supplier Database (CSD)/ MA supplier Number must be submitted together with the bid.
- 9.2.6. In case of bids where Consortia / Joint Ventures / Sub-contractors are involved; such must be clearly indicated, and each party must submit a separate copy of a valid Tax Clearance Certificate or copy of Tax Compliance Status Pin or CSD/ MAAA supplier Number together with the bid.
- 9.2.7. Certified copies of identity documents of directors and shareholders of the company.
- 9.2.8. Entity registration Certificate (e.g., CK1).
- 9.2.9. Letter of Authority to sign documents on behalf of the company.

10. SPECIAL CONDITIONS OF CONTRACT

- 10.1. On appointment, the performance measures for the delivery of the agreed services will be closely monitored by the DFFE / MLRF.
- 10.2. The MLRF will not be held responsible for any costs incurred by the bidders in the preparation, presentation, and submission of the proposal.
- 10.3. The appointed Contract Manager shall do the ongoing management of the Memorandum of Agreement (MOA).
- 10.4. All the conditions specified in the General Conditions of Contract (GCC) will apply and where the conditions in the special conditions of contract contradicts the conditions in the general conditions of contract, the special conditions of contract will prevail.
- 10.5. The bid proposals should be submitted with all required information containing technical information.
- 10.6. Travelling costs and time spent or incurred between home and office of the bidder and the MLRF office will not be for the account of MLRF.
- 10.7. Poor or non-performance by the bidder will result in cancellation of the order and the MOA.
- 10.8. Should the service provider fail to perform, MLRF reserves the right to cancel the appointment of such service provider immediately and without any notice.
- 10.9. The performance measures for the delivery of the work by the service provider will be closely monitored by the Director Internal Audit (DIA), Director-General (DG) and the Audit Committee (AC).
- 10.10. The service provider will provide the DIA, DG or delegated official with weekly (or as required) progress reports on the assignments outlined in the three-year IA plan.

- 10.11. The service provider will inform the DIA, DG or delegate immediately of any situation that may hinder the progress of the audit assignments.
- 10.12. The service provider will attend meetings to provide feedback and discuss the progress in terms of the IA plan as and when required by the MLRF.
- 10.13. The awarded service provider will be deployed at the MLRF and shall be based locally in Cape Town during the contract period.
- 10.14. The Director-General or delegated official shall do the ongoing performance management of the Service Level Agreement.
- 10.15. The service provider/s must guarantee the presence of the senior in charge of fieldwork throughout the duration of the contract. Prior to the appointment of a replacement, the MLRF must approve such appointment. If the senior has to leave the project, a period of at least a month is required, in which the senior must work parallel with the next person (senior consultant with similar expertise and equal years of experience) appointed able to transfer skills and knowledge.
- 10.16. All the conditions specified in the General Conditions of Contract (GCC) will apply and where the conditions in the special conditions of contract contradicts the conditions in the general conditions of contract the special conditions of contract will prevail.
- 10.17. Please take note that the Department is not bound to select any of the firms' submitting proposals. The Department reserves the right not to award any of the bids and not to award the contract to the lowest bidding price.
- 10.18. Bids shall remain valid and open for acceptance for a period of one hundred and twenty days (120) days from the bid submission date, plus any mutually agreed extension of the bid validity period. The Department may, in exceptional circumstances, request bidder (s) for an extension of the proposal validity period, prior to the expiry of the original proposal validity period. The request and the response thereto shall be made in writing. Bidder (s) agreeing to the request shall not be permitted to modify its proposal.
- 10.19. 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 corporation with members' persons in the service of the state.
- 10.20. Tenderers must submit one proposal (one envelope) for each bid. The envelope must include technical proposal and financial proposal.
- 10.21. Before any work can commence the service, level agreement must be signed by both parties (the Department and the successful bidder) as well as the issue of an official order and should there be any dispute regarding the finalisation of the agreement, the Department reserves the right to cancel the contract with no cost implications for the Department.
- 10.22. The evaluation of bids can only be done based on information provided to the Department.
- 10.23. If a senior staff member has to leave the project, a period of at least one (1) month is required in which the senior staff member must work in parallel with the next person (who must have similar expertise and equal

years of experience) appointed by the Service Provider to enable continuity and the transfer of skills and knowledge.

11. PAYMENT TERMS

- 11.1.** The MLRF undertakes to pay out in full or as per deliverables within 30 (thirty) days all valid claims for work done to its satisfaction upon presentation of a substantiated claim and the required reports stipulated in special conditions. No payment will be made where there is outstanding information/work not submitted by the Service Provider/s until that outstanding information is submitted.
- 11.2.** Payment by the MLRF shall be made by means of an electronic transfer into the SP's bank account
- 11.3.** Payment requirements
- The successful Service Provider shall render services to the MLRF in accordance with the Project Plan and Project Scope.
 - The amounts are inclusive of VAT and all disbursements shall be paid in South African Rands.
 - MLRF reserves the right to, after consultation with the successful Service Provider, increase, reduce or cancel the budget.
 - Disbursements of project funding will be agreed on for each project and disbursements will be made on agreed and verified deliverables and indicators (targets) that are included in the Project Plan
 - The successful Service Provider shall provide the MLRF with an original tax invoice for the services rendered. Once the MLRF has approved such an invoice and is satisfied with the services rendered as outlined in the Project Plan, it will make payment to the successful Service Provider within 30 days of approval of such a request.
 - The successful Service Provider are required to submit the following documents with each invoice;
 - Acting letter of the manager of SP (if applicable)
 - Monthly/Period Project Progress Report
 - MLRF requires that a new order number be raised after 1 April of each of the financial years of the contract period.
 - All invoices must be addressed to the MLRF.

12. ENQUIRIES

12.1. Should you require any further information in this regard, please do not hesitate to email:

| Name | Email address |
|--------------------|--|
| Mr Lwandisa Hoza | MLRFtenders@dfpe.gov.za |
| Ms Taliitha Bikani | |

**Bidders should use "MLRF201/23: Enquiries" as the subject of the email of requesting link for the briefing session.*

Annexure A: Price Schedule Guidance

- Services must be quoted in accordance with the Project deliverables in section 5 of the TOR. The indicated 2250 hours per annum is only for evaluation purposes. Table to be completed in full.

| YEAR 1 | | | | |
|-------------------------------|--|------------------------|--|------------------------------|
| RESOURCES | Required Qualification | ALLOCATED HOURS | RATES PER HOUR EXCL VAT FOR YEAR 1 (Fixed and Firm for 12 months) | TOTAL PRICE EXCL. VAT |
| Director/Partner | Chartered Accountant (SA)/ Certified Internal Auditor (CIA) with Post graduate diploma/Honours degree or above | 250 | R | R |
| Supervisor/ Project Manager | Relevant bachelor's degree/B Tech in Auditing or Accounting | 500 | R | R |
| Internal Auditor | Relevant Bachelor Degree/B Tech in Auditing or Accounting | 750 | R | R |
| Junior Internal Auditor | Undergraduate Diploma in Auditing | 750 | R | R |
| Total Hours | | **2250 | | |
| Total Fees – Year 1 | | | | R |
| Disbursements (limited to 7%) | | | | R |
| VAT @ 15% | | | | R |
| Total Project Cost – Year 1 | | | | R |
| | | | | |
| Year 2 | | | | |
| RESOURCES | Required Qualification | ALLOCATED HOURS | RATES PER HOUR EXCL VAT FOR YEAR 2(Fixed and Firm for 12 months) | TOTAL PRICE EXCL. VAT |
| Director/Partner | Chartered Accountant (SA)/ Certified Internal Auditor (CIA) with Post graduate diploma/Honours degree or above | 250 | R | R |
| Supervisor/ Project Manager | Relevant bachelor's degree/B Tech in Auditing or Accounting | 500 | R | R |
| Internal Auditor | Relevant Bachelor Degree/B Tech in Auditing or Accounting | 750 | R | R |
| Junior Internal Auditor | Under graduate Diploma in Auditing | 750 | R | R |
| Total Hours | | **2250 | | |
| Total Fees – Year 2 | | | | R |

| | | | | |
|---|--|----------------------------|--|----------------------------------|
| Disbursements (limited to 7%) | | | | R |
| VAT @ 15% | | | | R |
| Total Project Cost – Year 2 | | | | R |
| Year 3 | | | | |
| RESOURCES | Required Qualification | ALLOCATED HOURS | RATES PER HOUR EXCL VAT FOR YEAR 3 (Fixed and Firm for 12 months) | TOTAL PRICE EXCL. VAT |
| Director/Partner | Chartered Accountant (SA)/ Certified Internal Auditor (CIA) with Post graduate diploma/Honours degree or above | 250 | R | R |
| Supervisor/ Project Manager | Relevant bachelor's degree/B Tech in Auditing or Accounting | 500 | R | R |
| Internal Auditor | Relevant Bachelor Degree/B Tech in Auditing or Accounting | 750 | R | R |
| Junior Internal Auditor/ Admin | Under graduate Diploma in Auditing | 750 | R | R |
| Total Hours | | **2250 | | |
| Total Fees – Year 3 | | | | R |
| Disbursements (limited to 7%) | | | | R |
| VAT @ 15% | | | | R |
| Total Project Cost – Year 3 | | | | R |
| | | | | |
| Estimated Total Project Cost Year 1 to 3 | | | | R |

***The hours in the allocated hours column are estimated hours for evaluation purposes of the tender. Total estimated project cost for year 1 to year 3 will be used for evaluation purposes.*