



science, technology  
& innovation

Department:  
Science, Technology and Innovation  
REPUBLIC OF SOUTH AFRICA

(“The DSTI”)

## TERMS OF REFERENCE

**Terms of Reference for the Appointment of a SANAS-Accredited B-BBEE  
Verification Service Provider for three consecutive financial years (FY 2025/26,  
2026/27, 2027/28)**

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**N.B. : *By providing us with your Personal Information, you consent to the DSTI processing your Personal Information, which the DSTI undertakes to process strictly in accordance with the section 18 informed consent document.***

## 1. BACKGROUND

Department of Science, Technology and Innovation (DSTI) is an organ of state required to implement the Broad-Based Black Economic Empowerment (B-BBEE) Codes of Good Practice and to be measured against the Specialised Scorecard (Statement 004). In terms of section 13G(1) of the B-BBEE Act and Regulation 12, DSTI must file its audited annual financial statements and annual report with the B-BBEE Commission within 30 days of approval and maintain a valid B-BBEE verification certificate for external reliance and internal governance.

## 2. PURPOSE

The purpose of this assignment is to appoint a SANAS-accredited verification agency/professional to:

- Conduct annual B-BBEE verification of DSTI against Statement 004 elements: Management Control, Skills Development, Enterprise & Supplier Development (ESD), and Socio-Economic Development (SED).
- Validate all evidence and issue an indicative score, final score, and an official B-BBEE Verification Certificate for each financial year.
- Provide feedback, findings, and improvement recommendations to strengthen compliance, record-keeping, and future scoring.

## 3. SCOPE OF WORK

The service provider will be required to deliver all services in close consultation with the DSTI Supply Chain Management unit, with administrative support from the Strategy and Planning Unit, and to meet the following specifications. At a minimum, the service provider must perform the following for each contract year:

### 3.1 Verification Planning and Engagement

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- Develop an annual verification plan (methodology, sampling, timelines, dependencies).
- Confirm accreditation and independence; disclose any conflicts of interest.
- Conduct a kick-off meeting with DSTI to confirm scope, responsibilities, and milestones.

### 3.2 Evidence Testing and Validation (Statement 004)

- **Management Control:** Review board/committee composition, organograms, EEA returns (EEA2, EEA4), COR documents (where applicable), payroll reports, contracts/letters of appointment, minutes, disability documentation.
- **Skills Development:** Confirm SETA levy membership, WSP/ATR submissions and approvals, pivotal training implementation, learnerships/bursaries (agreements, registers, certificates, payments), disabled learner evidence, SAQA alignment for international training.
- **Enterprise & Supplier Development:** Validate supplier B-BBEE certificates/affidavits, procurement spend, import exclusions (with supporting SARS/management affidavits), ESD agreements, programme documentation, invoices/proofs of payment, beneficiary confirmations.
- **Socio-Economic Development:** Validate beneficiary black-status, agreements, independent confirmation reports, invoices/proofs of payment, letters of receipt/impact.

### 3.3 Reporting and Certification

- Issue Preliminary Verification Findings Report and indicative scorecard.
- Facilitate feedback sessions (management and executive) to explain findings and gaps.
- Post audited financial statements approval, issue the Final Verification Report and B-BBEE Certificate.

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- Provide a Management Action Plan to address weaknesses and improve future scores.

### 3.4 Advisory Boundaries

- Provide clarification on evidence sufficiency and record-keeping; not to opine on legal interpretation beyond published Codes/Commission practice guides.
- If material interpretation queries arise, flag them for B-BBEE Commission clarification.

## 4. Expected Deliverables and Timeframes

The service provider will be appointed by **16 March 2026** with preparatory work commencing within one week of the award. All tasks will be implemented in close collaboration with DSTI Supply Chain Management

### 4.1 Key Deliverables

<b>Deliverable</b>	<b>Description</b>	<b>Due Date</b>
<b>Preparation work</b>	Initial engagement with DSTI to confirm deliverables and collect all information needed	<b>30 April 2026</b>
<b>Start verification process</b>	Start verification using management accounts (as per practice guidance) to meet reporting timelines.	<b>1 May 2026</b>
<b>Evidence collection</b>	Evidence collection, sampling, site meetings, preliminary testing.	<b>15 June 2026</b>
<b>Preliminary report</b>	Preliminary report & feedback sessions; remediation window.	<b>16 July 2026</b>
<b>Post approval of audited AFS:</b>	adjustments, final testing, Final Report & Certificate.	<b>31 August 2026</b>

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## 4.2 Duration of the Assignment

The duration of the assignment will run from 16 March 2026 to 31 August 2026, covering the verification of the 2025/26 financial year (conducted within the 2026/27 financial year). Subsequent verifications for the 2026/27 and 2027/28 financial years (each conducted in the following financial year) will follow a similar timeline, running between April and August of each respective year

## 4.3 Review and Approval

All deliverables will be reviewed by the DSTI Supply Chain Management unit in consultation with Strategy and Planning and Programme 1A management

- 4.3.1 Submit a detailed proposal that outlines the qualification of the company director/s, the qualification/s and experience of the person/s who will conduct the review, update the manual, and training session/s; the project plan with the deadlines on how the service provider will deliver services as specified in the terms of reference, methodology in which the assessment is conducted, years of experience of the company in conducting reviews in planning, monitoring and evaluations and in facilitation/training.
- 4.3.2 Provide a sample of a previously completed assessment reviews in BBBEE verification
- 4.3.3 Provide 3 or more references specifying the dates on which similar services of similar nature as the one requested were presented in his/her organization. Your references must specify the name of the organization, services rendered, dates in which services were rendered, contact person, and contact numbers of the client or the organization in which services were rendered.
- 4.3.4 Submit a detailed quotation for the expected service with deadlines on how you intend to deliver on the above.
- 4.3.5 Submit a detailed budget breakdown to indicate how they arrived at the final amount. All monetary values quoted (in South African Rand) must include Value.

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4.3.6 All prices quoted must include VAT and should be linked with specific tasks to be undertaken.

## 6. EVALUATION OF PROPOSALS

The proposals will go through two stages of the evaluation process which will include the following:

- a) Phase One: Mandatory Evaluation and Administrative Requirements.
- b) Phase Two: Pricing and BBBEE.

### 6.1. Phase One: Mandatory and Administrative Requirements

During Phase 1, a short list will be established and the shortlisted service providers will be evaluated at phase 2. Service providers must meet all the minimum requirement to proceed to phase 2:

6.1.1 Proof of registration on the Centralized Supplier Database held by NT

6.1.2 Compliant tax matters on CSD.

6.1.3 Completed and signed SBD forms.

6.1.4 Service provider's acceptance of terms of reference, (ToR) by placing service provider's initials on each page.

6.1.5 Service provider's acceptance of terms and conditions of the bid, by placing service provider's initials on each page of the General Conditions of Contract (GCC)

6.1.6 Submit an originally certified or original B-BBEE certificate/Sworn Affidavit to claim B-BBEE credentials, failure to submit will not invalid your proposal but will score 0 points for BEE.

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## 6.2. Phase 2: Price and BBBEE

Price inclusive of VAT will be evaluated as indicated below.

6.2.1 In terms of regulation 4 of the Preferential Procurement Regulations, 2022 pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the DSTI on the 80/20 preference point system in terms of which points are awarded to service providers on the basis of:

- The bid price (maximum 80 points)
- Specific Goals mentioned below in Table1 (maximum 20 points)

Service providers can only claim specific goal credentials, by providing a detailed company ownership certificate.

6.2.2. The following formula will be used to calculate the points for price in respect of service providers with a rand value equal to or above R30 000.00 up to R50 000 000.00:

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

Where

$P_s$  = Points scored for price of tender under consideration.

$P_t$  = Price of tender under consideration.

$P_{\min}$  = Price of lowest acceptable tender.

6.2.3. A maximum of 20 points will be awarded to a tenderer for the specific goal specified for the tender, as per the table below:

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Table 1 – Specific goals

<b>The specific goals allocated points in terms of this tender:</b>	<b>Number of points allocated (80/20 system)</b>
EMEs and QSEs	05
Companies owned by black people	05
Companies owned by women	05
Companies owned by youth	03
Companies owned by people with disabilities	02

- i. A bidder must submit proof of its Specific goals' status.
- ii. A bidder failing to submit proof of Specific goals' status or failing to meet the Specific goals, may not be disqualified, but (a) may only score points out of 80 for price; and (b) score 0 points out of 20 for Specific goals.
- iii. The points scored by a bidder for Specific goals in accordance with the preceding paragraphs 6.4(c) must be added to the points scored for price under paragraph 6.4(b).
- iv. The points scored must be rounded off to the nearest two decimal places.
- v. If the price offered by a tenderer scoring the highest points is not market-related, the Department may not award the bid to that tenderer.
  - The Department may negotiate a market-related price with the tenderer scoring the highest points or cancel the tender.
  - If the tenderer does not agree to a market-related price, the Department may negotiate a market-related price with the tenderer scoring the second highest points or cancel the tender.
  - If the tenderer scoring the second highest points does not agree to a market-related price, the Department may negotiate a market-related price with the tenderer scoring the third highest points or cancel the tender.

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- If a market-related price is not agreed in all the aforementioned respects, the Department must cancel the tender.
- vi. In the event that two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for specific goals. (2) If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.
- vii. A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.

**NB: All costs that the service provider may incur due to the preparation of the project for the DSTI shall be the sole responsibility of the service provider.**

**7. AWARDING OF THE BID**

7.1. The successful service provider will work in close collaboration with the DSTI team to ensure that the objectives of the Department are accommodated.

**8. SUBMISSION OF PROPOSALS**

- 8.1. The deadline for the proposal is **13 February 2026 at 11:00**.
- 8.2. The proposals should be sent to the relevant SCM Practitioner who sourced quotations using the details provided through the email used to source. It should be noted that no documents can be delivered to the DSTI building.

**9. CONTACT PERSONS**

Enquiries relating to this request should be addressed to the SCM Practitioner who sourced quotations.

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**PART A: CLIENT BASE**

Name of client / organization where contract is being executed/was executed	Description of Contract Services	Physical Address of the Client/ organization	Contact persons and telephone numbers of your client	Contract period (indicate start and end dates) e.g. 1 April 2012 to 31 March 2015	Is the contract Current or Past? (please indicate accordingly)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

**NB: DSTI reserves the right to verify the contents of this list directly with the bidders' clients and also conduct site inspections**

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