



## INVITATION TO BID

**BID NUMBER:** SANAS/EXTAUD/2022-23/04

**BID DESCRIPTION:** APPOINTMENT OF A SUITABLY PROFESSIONAL BIDDER FOR THE PROVISION OF EXTERNAL AUDIT SERVICES FOR A PERIOD OF THREE (3) YEARS.

APPOINTMENT OF A SUITABLY PROFESSIONAL BIDDER FOR THE PROVISION OF EXTERNAL AUDIT SERVICES FOR A PERIOD OF THREE (3) YEARS	
<b>ISSUED BY:</b>	South African National Accreditation Systems: Supply Chain
<b>ADVERTISEMENT DATE:</b>	<b>04 July 2022</b>
<b>CLOSING TIME AND TIME:</b>	<b>29 July 2022 @ 11:00</b>
<b>TENDER DOCUMENTS:</b>	Not for sale. Copies of the bid documents are obtainable from SANAS website: <a href="http://www.sanas.co.za">www.sanas.co.za</a> and on the e-Tender portal of the National Treasury website, <a href="http://www.etenders.gov.za">www.etenders.gov.za</a>
<b>BID VALIDITY PERIOD:</b>	90 business working days from closing date.  Bidders are to note that they may be requested to extend the validity period of their tender, at the same terms and conditions, if the internal evaluation process has not been finalised within the validity period. However, once the adjudication body has approved the process and award of the business to the successful Bidder (s), the validity of the successful Bidder(s)' bid will be deemed to remain valid until a final contract has been concluded.
<b>SUBMISSION OF BIDS</b>	Sealed bids clearly stating the name of this bid and number must reach the offices of the <b>SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)</b> , located at Libertas Office Park, corner Libertas and Highway Streets, Equestria, Pretoria, 0184, by <b>11:00 on 29 July 2022</b> .  Tender document shall be submitted as one (1) hard copy (containing 2 envelopes / folders containing the original technical proposal and financial proposal) and one (1) USB stick containing all original proposals.

	<p>The tender box will only be available for the depositing of proposals between 08:00 and 16:30 Mondays to Fridays excluding public holidays.</p> <p>Please note that this tender closes punctually at <b>11:00 on 29 July 2022</b>. No late submissions will be considered under any circumstances.</p> <p><b>The SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)</b> shall not disclose any details pertaining to the responses received, to any other participant(s), as this is regarded as confidential information.</p> <p>Envelope must not contain documents relating to any tender other than the one referred to in this request for bid document.</p> <p>The responses to the tender will be opened immediately after 11:00am on 29 July 2022.</p>
<b>CONTACT PERSON:</b>	Zanele Ngwenya
<b>TELEPHONE:</b>	(012) 740 8535
<b>E-MAIL:</b>	<a href="mailto:zanelen@sanas.co.za">zanelen@sanas.co.za</a>

**THE FOLLOWING PARTICULARS MUST BE FURNISHED**

**BIDDING STRUCTURE**

Indicate the type of Bidding/Bidding Structure by marking with an 'X'	
Individual Bidder	
Joint Venture	
Consortium	
With Sub-Contractors	
Other	

If Individual:	
Name of Bidder	
CSD MAAA number	
Tax reference number and PIN	
ID number	

Registration Number	
VAT Registration Number	
Contact Person	
Telephone Number	
Fax Number	
Cell Number(s)	
E-mail Address	
Postal Address	
Physical Address	

If Joint Venture or Consortium, indicate the name/s of the partners:	
Company Name	
CSD MAAA number	
Tax reference number and PIN	
Registration Number	
VAT Registration Number	
Contact Person	
Telephone Number	
E-mail Address	
Fax Number	
Postal Address	
Physical Address	

<b>HAS A TAX COMPLIANT STATUS REPORT BEEN SUBMITTED FOR CONSORTIUM, JOINT VENTURE AND/OR SUB CONTRACTORS</b>	
<b>YES</b>	<b>NO</b>

<b>PLEASE INDICATE THE TYPE OF YOUR COMPANY E.G. PRIVATE COMPANY OR CLOSED CORPORATION OR OTHER</b>	
Indicate the Type of Company	

**SIGNATURE OF BIDDER:**

..... DATE: .....

.....  
CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....  
INITIALS AND SURNAME

**NOTICE TO BIDDERS**

This tender is issued in terms of the Public Finance Management Act 1 of 1999 (PFMA), the Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA) and Supply Chain Management Regulations issued by the National Treasury and BBBEE Act.

Parties that wish to submit proposals are required to indicate that they are willing to accept the General Conditions and SANAS requirements and procedures.

On the last page of this document the bidder needs to declare and indicate that they have read and understood the document in full.

Faxed, emailed bids will not be accepted, only hand delivered, and couriered proposals will be accepted. **one (1) hard copy (containing 2 envelopes / folders containing the original technical proposal and financial proposal) and one (1) USB stick containing all original proposals will be accepted once delivered to the SANAS premises before the closing date / time.**

**Failure to submit the documents in the format listed above will result in immediate disqualification of the bid submitted.**

## TERMS OF REFERENCE

**BID DESCRIPTION: APPOINTMENT OF A SUITABLY PROFESSIONAL BIDDER FOR THE PROVISION OF EXTERNAL AUDIT SERVICES FOR A PERIOD OF THREE (3) YEARS.**

**BID NUMBER: SANAS/EXTAUD/2022-23/04**

### **1. PURPOSE**

The purpose of this bid is to appoint a suitable independent External Audit Service provider.

### **2. BACKGROUND**

The South African National Accreditation System (SANAS) was established in terms of Section 21 of the Companies Act, 61 of 1973, registration number 1996/00354/08. On 1 May 2007 it became a public entity with the promulgation of the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act (Act 19 of 2006).

SANAS operates in accordance with the requirements, criteria, rules, and regulations laid down in the following documents:

- The Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act 19 of 2006)
- The requirements of the international standard ISO/IEC 17011, General requirements for bodies providing assessments and accreditation of conformity assessment bodies.
- The requirements as stipulated in the various Memorandums of Agreement with the international bodies and the national regulatory bodies.

The Board delegates to the Chief Executive Officer (CEO) of SANAS the responsibility to implement the SANAS policies and objectives. Approval Committees make decisions concerning the granting and continuation of accreditation and GLP compliance.

### **3. OBJECTIVES**

The objective of this tender is to identify, evaluate and appoint an Audit Firm capable of performing the External Audit of SANAS. The procurement process of SANAS will be followed and this process is dependent on the decisions made by the bid committees of SANAS.

#### 4. SCOPE OF WORK

The external auditors will be required to perform the necessary audit work to enable them to express an audit opinion for a period of three (03) years.

The appointed Bidder will be required to:

- Perform an audit of annual financial statements in accordance with GRAP.
- Express an audit opinion on the financial statements of SANAS
- Perform audits in compliance with the PFMA and International Standards on Auditing.
- Work in conjunction with internal auditors to provide combined assurance to SANAS on the effectiveness of the internal control systems.
- Communicate audit findings to management and ensure they are fully aware of the implications of the operations of SANAS
- Review the financial information in the annual report prior to publishing.
- Attend and provide input to the Audit & Risk Committee.
- Provide a final audit report with recommendations to management and the Audit and Risk Committee.
- Audit predetermined objectives.
- Attend to any other statutory and regulatory requirements.

#### 5. PROPOSAL

##### a) Technical approach

Tenderers must, at least:

- i. Be registered in terms of the Public Audit Act as an accountant and auditor and engaged in public practice (Registration with IRBA - Independent Regulatory Board for Auditors).
- ii. Briefly describe the firms Audit methodology/ approach and the technology used.
- iii. Discuss the firm's approach to relying on the work of Internal auditors.

##### b) Capacity and Experience

- Provide the total number of audit staff and staff that provide audit related services in the following categories: **partners, managers and team leader(s)**.
- Provide up to date CV's of all partners and managers that will form part of the audit team. The CV's should indicate the level of position in the organisation, skills, professional membership and experience.
- Provide details of the technical departments (or equivalent departments) specializing in PFMA and Financial Services and Information Systems/ Technology. Details should be provided of the key partners and managers in these fields who can be regarded as specialists.
- Provide details of audit engagements during the preceding 5 years in the Public Sector.

##### c) Other

###### i. Quality Control

Describe the firm's quality control system and demonstrate briefly that the firm has established adequate quality control policies and procedures that comply with Auditing pronouncements.

###### ii. Independence and Objectivity

- a. In terms of SANAS policy, the external auditors and their consulting arms or related entities may not be engaged for non-audit related work.

- b. Provide details of all consulting work (description, amount and period) performed or to be performed by the audit firm for SANAS during the period 2022 to 2025 and beyond. This also includes work performed or to be performed as subcontractors (if applicable).
- c. Provide details of any possible conflict of interests as well as other information where independence and objectivity may be at risk. Indicate how this would be managed by the firm should it be appointed as the auditor. (Please note that should the firm be appointed auditor, SANAS will review the firm's involvement in such consulting services).

**iii. Insurance**

Provide details of professional indemnity insurance.

## 6. CONDUCT OF THE WORK

The work will be performed at the SANAS premises in Equestria, Pretoria or virtually.

## 7. DURATION OF THE CONTRACT

The duration of the contract is anticipated to run for a period of three (3) years commencing on the date of signing of the appointment letter. The bidder will be expected to sign a Service Level Agreement (SLA).

## 8. PROPOSAL REQUIREMENTS (SUBMISSION OF PROPOSAL)

Service providers must submit their responses in accordance with the response format specified:

- a) The technical proposal must be submitted in the prescribed format. Standard bidding documents and terms of reference should be filled in ink (**not re-typed**).
- b) Tender document shall be submitted as one (1) hard copy (containing 2 envelopes / folders containing the original technical proposal and financial proposal) and one (1) USB stick containing all original proposals and same information (including both the technical and financial proposal).
- c) Bidders are required to use the two-envelope system, whereby the technical proposal and the pricing will be placed in two separate envelopes, labelled Technical and Financial proposal
- d) Bidders to ensure that the company name appears on the **pricing schedule i.e. (SBD 3.3)**.
- e) Bidders to include supplier number (MAAA number) and unique code from National Treasury as proof that the supplier is registered on CSD.
- f) All quotations/price proposals shall be valid for the duration of the tender process.
- g) Cover Page: (the cover page must clearly indicate the bid reference number, description and the service provider name).
- h) The bidder must demonstrate their reputation, knowledge and expertise in line with the terms of reference.
- i) The bidder must provide the name of an individual who would be responsible for assigning and supervising services provided to SANAS pursuant to any agreements entered into following this tender process.

- j) The Bidder is required to confirm that it will hold its proposal valid for 90 days from the closing date of the submission of proposals during which time it will maintain, without change, the personnel proposed for the services together with their proposed rates.
- k) The bidder should provide a Joint Venture agreement signed by all parties in case of a Joint Venture / Consortium submission (if applicable),
- l) The bidder must provide a valid tax compliance status report with a PIN.
- m) The bidder must provide fully completed and duly signed Standard Bidding Documents (SBD) Forms supplied with these Terms of Reference.
- n) All Prices shall include VAT.

## 9. NOTES TO BIDDERS

- a) SANAS will not be liable to reimburse any costs incurred by the bidder during the bidding process.
- b) SANAS will establish a Bid Evaluation Committee to review all the responses received.
- c) The Bid Evaluation Committee will carry out evaluation of bidders. The SCM will, if necessary, contact bidders to seek clarification of any aspect of the bid.
- d) The Bidder acknowledges that the responsibility for a working solution lies solely with them, not with SANAS, and that any additional costs over and above the tender amount required to arrive at a working solution (i.e. a non-compliant or incomplete solution was offered) will be for the account of the bidder.
- e) Bid documents should be presented to SANAS marked "provision of external audit services for a period of three (3) years.
- f) Bidder commits to implement and follow all contract conditions and specifications as agreed to in the contract. This includes all technical and solution requirements listed in the bid document, including up-to-date technical specifications.
- g) Service providers should disclose subcontractors partaking in this contract and submit evidence of the relevant expertise. The subcontractors partaking in the actual implementation must be the same as in the tender proposal.
- h) Bidders should identify any work they are currently carrying out or completing which could cause a conflict of interest and indicate how such conflict could be avoided.
- i) Bids submitted will not be revealed to any other bidders.
- j) All information pertaining to the SANAS obtained by the bidder as a result of participation in this bid is confidential and must not be disclosed without written authorization from the SANAS.
- k) The General Conditions of Contract (GCC) must be signed or initialed on each page by the bidder as included in the bid document.
- l) SANAS will not award the bid to any prospective bidder who has not registered on the Central Supplier Database (CSD) as regulated until they are registered on the CSD.

- m) SANAS reserves the right not to accept any bids, which does not comply with the specifications, and conditions set out in the bid documents.
- n) In cases where a bidder will be sub-contracting, proof of documentation for the subcontractor should be submitted as well i.e. company registration documents of the sub-contracted company.
- o) SANAS reserves the right to award the bid in part or as a whole.
- p) The SANAS reserves the right:
  - To cancel award at any time;
  - Not to accept any bids;
  - To contact any bidder during evaluation period, to clarify information only, without informing any other bidder.

## 10. REASONS FOR DISQUALIFICATION

**10.1** SANAS will disqualify any bidder which does any one or more of the following, and such disqualification may take place without prior notice to the offending bidder:

10.1.1 bidders who submit **incomplete** information and documentation listed as pre-qualifiers in this tender document.

10.1.2 bidders who submit information that is fraudulent, **factually untrue or inaccurate information**; &

10.1.3 bidders who receive information not available to other potential bidders through fraudulent means.

## 11. EVALUTION PROCESS OF BIDS RECEIVED-THE EVALUATION OF PROPOSAL WILL BE DONE IN FOUR (04) STAGES.

**11.1 Stage 1: Submission of all administrative compliance documentation-The evaluation of the administrative compliance requirements is indicated below.**

- a) All proposals received will be examined to determine compliance with the tender requirements and conditions (completion and attachment of compulsory documents). The bidder should be able to provide all the relevant information required in the bid document which will include but not limited to;

**Bidders who do not adhere to those criteria listed as PRE-QUALIFIER, will be disqualified immediately.**

No.	Responsiveness Criteria	Prequalifying Criteria	Compliance with required documents
1.	Adherence in submitting the Tender in two folders, one (1) hard copy (containing 2 envelopes / folders containing the original technical proposal and financial proposal) and one (1) USB stick containing all original proposals.	Pre-Qualifier	

	Folder 1 -Technical proposal Folder 2 - Pricing or Financial Proposal		
2.	Completed and signed <b>SBD 3.3</b> Pricing Schedule including proposed total cost of the project.	Pre-Qualifier	
3.	Company Registration Documentation/ copies of bidder's CIPC company registration documents listing all members with shareholding percentages, in case of a CC.	Pre-Qualifier	
4.	<b>Certified</b> ID Copies of Company Directors/ Partners / Trustees (whichever is applicable).	Pre-Qualifier	
5.	<ul style="list-style-type: none"> <li>Registered on Central Suppliers database (CSD) of National Treasury. (For registration information, go to <a href="https://secure.csd.gov.za">https://secure.csd.gov.za</a>)</li> <li>Copy of CSD report OR MAAA Number as proof of CSD Registration.</li> </ul>	Pre-Qualifier	

**A. Tenderers who do not adhere to the indicated response time for clarifications requested by the SANAS will be deemed to be non-responsive and their submissions will not be evaluated further**

No.	Name of Administrative Required Document	Clarification Time	Applicable to this Tender (Y/N)
1.	<p>Fully <b>completed</b> and duly <b>signed</b> SBD forms and Standard conditions of tender as required, must be submitted.</p> <ul style="list-style-type: none"> <li>SBD 1 Invitation to Bid</li> <li>SBD 4 Declaration of Interest.</li> <li>SBD 6.1 Preference Points Claim Form</li> <li>SBD 7.2 Contract Form (to be completed in duplicate).</li> <li>General Condition of Contracts (<b>all pages initialled</b>).</li> <li>Terms of references (<b>all pages initialled</b>)</li> </ul> <p><b><i>N.B Bidders must ensure that all SBD documents are fully signed and initialled where applicable.</i></b></p>	48 working hours	Y
2.	Submission of Proof of Registration with National Treasury Central Supplier Database (CSD) Summary Report or A Valid and Active Tax Compliance Status Pin issued by SARS for Tax Compliance Status Verification:	7 Working days	Y

	N.B - Bidder must be fully registered & tax compliant in order to do business with the SANAS.		
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**11.2 Stage 2: Mandatory evaluation**

**Bidders shall submit the following mandatory documents:**

**Proof of registration with relevant professional/Auditing association or bodies where applicable (certified copies valid for 3 months before closing date of submission of bid proposals).**

Organisational membership
<ul style="list-style-type: none"> <li>• Proof of registration with the Independent Regulatory Board for Auditors (IRBA).ie. Valid Certificate.</li> </ul>

***Failure to submit the above document will lead to immediate disqualification.***

**11.3 Stage 3: Evaluation of Proposal: Functionality Criteria (Stage 03)**

a) The evaluation of the functional requirements are as follows:

- ❖ Bidders shall attain a minimum of **80** points out of 100 points or more to proceed to the next stage which is Price evaluation.
- ❖ Only Bidders that have complied to the mandatory requirements on (Stage 2) will be evaluated on functionality.
- ❖ The Bidder’s information will be scored according to the functionality criteria.

**11.3.1 Functionality Criteria (Stage 03)**

**Suitable bidder must demonstrate capacity and competence to execute this project by complying with the functionality criteria Table below:**

**Evaluation Criteria for Functionality is as Follows:**

**Table 1: STAGE 3 - Functionality Criteria**

Criteria	Max per section
<b>Company experience</b> Company profile including demonstrated experience in providing external audit services in the public sector, with a minimum of three contactable reference letters from public sector clients including the start and completion dates of the contracts not older than 05 years. Failure to provide reference letters or include the start	<b>15</b>

Criteria	Max per section
<p>and end dates on reference letters will not be considered. Only a completed year/s of experience will be considered. The reference letters should be on the client's letterhead. <b>Non submission of a minimum of three (03) contactable reference letters will result in zero points for this criterion.</b></p> <ul style="list-style-type: none"> <li>• Less than three years of experience = <b>0 points</b></li> <li>• Three to five years of experience = <b>05 points</b></li> <li>• Five to 09 years' of experience = <b>10 points</b></li> <li>• Above 10 years' relevant experience = <b>15 points</b></li> </ul>	
<p><b>Team Capabilities</b></p> <p>Attach CV of each key project team members indicating qualifications, experience, and accreditation (where relevant). Bidders must submit academic qualification(s) and proof of registration where professional bodies are required.</p> <p>Audit/project Manager: The Audit Manager must be a qualified CA/SA with the following years of experience in managing external Audit Services related projects. <b>Please include CV.</b></p> <ul style="list-style-type: none"> <li>• CV with no relevant experience = <b>0 points</b></li> <li>• Less than 5 years' relevant experience = <b>05 points</b></li> <li>• 5 to 9 years' relevant experience = <b>10 points</b></li> <li>• Above 10 years' relevant experience = <b>15 points</b></li> </ul> <p>Lead Auditor/supervisor: The Lead Auditor/supervisor must have a postgraduate diploma in accounting sciences (CTA) with the following years of experience in executing external Audit Services related projects. <b>Please include CV.</b></p> <ul style="list-style-type: none"> <li>• CV with no relevant experience = <b>0 points</b></li> <li>• Less than 5 years' relevant experience = <b>05 points</b></li> <li>• 5 to 9 years' relevant experience = <b>10 points</b></li> <li>• Above 10 years' relevant experience = <b>15 points</b></li> </ul> <p><b>(Audit manager + lead Auditor scores will be added against the total score of 30)</b></p>	<b>30</b>
<p><b>Project/Audit plan and methodology project</b></p> <p>Project/Audit plan and methodology in line with the scope of work with clear milestones and timeframes for each task to be completed. Audit methodology should be properly outlined.</p> <ul style="list-style-type: none"> <li>• No project/audit plan and audit methodology = <b>0 points</b></li> <li>• Project/Audit plan provided with no clear deliverables, audit and methodology and timeframes/milestones = <b>05 points</b></li> <li>• Project/Audit plan provided with clear deliverables, audit methodology and timeframes/milestones = <b>20 points</b></li> <li>• Project/Audit plan well broken down with methodology deliverables, timeframe/milestone and management of the project including staff deployment to each activity/deliverable. A sample/example of an audit strategy = <b>30 points</b></li> </ul>	<b>30</b>

Criteria	Max per section
<b>Independence and Objectivity</b> Submit Policy to demonstrate how the firm will manage its independence and objectivity when conflict of interest arises ( <b>policy must be submitted</b> ) <ul style="list-style-type: none"> <li>• Non submission of policy = <b>0 points</b></li> <li>• Submission of Policy = <b>15 points</b></li> </ul>	<b>15</b>
<b>Quality control</b> <ul style="list-style-type: none"> <li>• No quality control policies and procedures = <b>0 points</b></li> <li>• Brief description of the firm's quality control systems = <b>5 points</b></li> <li>• Copy of the firm's quality control policies and procedures that comply with international standards on ISA 220 and or Quality Control (ISQC1) = <b>10 points</b></li> </ul>	<b>10</b>
<b>TOTAL:</b>	<b>100</b>
<b>THRESHOLD</b>	<b>80 points</b>

#### 11.4 Stage 4: Evaluation of Price and B-BBEE

Only bidders who score 80 points in **Stage 03** above will be considered for the price and points evaluation. Bids will be evaluated in accordance with the prescripts of the Preferential Procurement Policy Framework Act (PPPFA) and its regulations which stipulate 80/20 Preference point system [(for acquisition of goods or services for a Rand value equal to or above R30 000 and up to R50 million) (all applicable taxes included).

To score points for preference (BBBEE) bidders must submit a valid BBBEE certificate or affidavit. A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level Verification Certificate.

##### Step 1: Calculation of points for price

- Only bids that achieve the minimum qualifying score for functionality will be evaluated further in accordance with the 80/20 preference point system, as contemplated in the Preferential Procurement Policy Framework Act 5 of 2000. The formulae to be used in calculating points scored for price is as follows:

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

Where

P<sub>s</sub> = Points scored for comparative price of bid or offer under consideration

Pt = Comparative price of bid or offer under consideration  
Pmin = Comparative price of lowest acceptable bid or offer.

- Points scored will be rounded off to the nearest 2 decimal places.

**Step 2: Calculation of points for B-BBEE status level of contributor**

Points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (80/20 system)</b>
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

**11.5 SUBCONTRACTING**

- (a) A bidder awarded a contract may only enter into a subcontracting arrangement with the approval of SANAS.

**11.6 JOINT VENTURES, CONSORTIUMS AND TRUSTS**

- (b) Bidders must submit concrete proof of the existence of joint ventures and/or consortium arrangements. SANAS will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.
- (c) The joint venture and/or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, with the power of attorney/resolution letter to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.

**11.7 LEGAL IMPLICATIONS**

- (a) It is a requirement that the successful bidder will enter into a service level agreement (SLA) with SANAS.

## 11.8 COMMUNICATION

- (a) The communication between SANAS and bidders is permitted prior to the closing date of the tender, such communication including queries and responses will be uploaded daily on the SANAS website in the procurement section, if required.
- (b) Bidders have until 22 July 2022 end of business day to seek clarification.

## 11.9 LATE BIDS

- (a) Bids received at the address indicated in the bid documents, after the closing date and time will not be accepted.

## 11.10 PAYMENT TERMS

- a) SANAS undertakes to pay valid invoices in full within 30 (thirty) days from receipt of invoices for work done to its satisfaction. No payment will be made where there is outstanding information not submitted by the supplier. No upfront payment to a successful service provider will be made. Payment will only be made in accordance to the delivery of service that will be agreed upon by both parties and upon receipt of an original invoice.

## 11.11 CONTRACT PERIOD

- a) The firm will be appointed for a period of three (3) years subject to the following conditions:
  - Confirmation on an annual basis by the Audit Committee of SANAS based on an evaluation of the effectiveness as well as the independence and objectivity of the External Auditors.
  - An announcement in the government gazette or communication in any other manner by the Auditor General of his intention not to audit the financial statements of SANAS or a specific year.
  - Consultation with the Auditor General before the appointment for the specific year is finalised.

## 11.12 TAX CLEARANCE CERTIFICATE REQUIREMENTS

- a) It is an absolute requirement that the taxes of the successful bidder MUST be in order, or that suitable arrangements must have been made with SARS. **Bids received with a non-compliant status will be disqualified when they fail to update the Tax Status within 7 days.** Bidders are required to supply a valid Tax Compliance Status (TCS) PIN for verification purposes.

## 11.13 QUALITY ASSURANCE REVIEWS OF WORK

- a) The successful bidder shall ensure that all work conforms to a signed Service Level Agreement.

**11.14 AUTHORISED DELEGATE(S)**

- a) Nothing as stipulated in these terms of reference may be amended without the written confirmation of SANAS.

**11.15 RESPONSE FORMAT (SUBMISSION OF PROPOSAL)**

Bidders shall submit their responses in accordance with the response format specified:

- a) The proposal shall be submitted in the prescribed format. Standard bidding documents attached with terms of reference should be filled in **ink (not re-typed)**.
- b) Tender document shall be submitted as one (1) hard copy (containing 2 envelopes / folders containing the original technical proposal and financial proposal) and one (1) USB stick containing all original proposals (including both the technical and financial proposal).
- c) Bidders are required to use the two-envelope system, whereby the Technical proposal and the Financial proposal (**financial proposal includes the contract price**) be placed in two separate envelopes.
- d) Cover Page: (the cover page shall clearly indicate the bid reference number, description and the bidder's name)
- e) **BID DOCUMENTS CHECKLIST AND DECLARATION:** The contents of the bid/tender document shall be as follows, and numbered as per the numbering below, with each schedule punched, placed in a file and separated from the next schedule with a file divider. The original proposal and a USB containing an electronic copy **SHALL** contain the same tender documents including pricing.

Bidders hereby indemnify that the submission in the hard copy, USB includes all the documents listed below, please complete the checklist below to verify your submission of the relevant documents:

<b>TECHNICAL PROPOSAL – ENVELOPE 1</b>			
Original proposal and electronic copy on a USB.			
<b>SCHEDULES</b>	<b>DESCRIPTION</b>		
<b>Schedule 1</b>	Bidding Documents as follows:	Submitted Indicate with an X	Not Submitted Indicate with an X
❖	General Condition of Contracts ( <b>all pages initialed</b> ).		
❖	Original or Certified Copies of Company registration documents.		
❖	Certified ID Copies of Company Directors/ Partners / Trustees (whichever is applicable).		

❖ Registered on Central Suppliers database (CSD) of National Treasury. (For registration information, go to <a href="https://secure.csd.gov.za">https://secure.csd.gov.za</a> )		
❖ Copy of CSD report OR MAAA Number as proof of CSD Registration.		
❖ Tax compliant status report (with (PIN)		
❖ BBBEE		
<b>Schedule 2</b> Fully completed and duly signed SBD forms	Submitted Indicate with an X	Not Submitted Indicate with an X
❖ SBD 1 Invitation to Bid		
❖ SBD 4 Declaration of Interest		
❖ SBD 7.2 Contract Form <b>(to be completed in duplicate).</b>		
❖ SBD 6.1 Preference Points Claim Form		
<b>Schedule 3</b> Technical Proposal/methodology (including all relevant information per evaluation matrix and scope of services, including but not limited to:	Submitted Indicate with an X	Not Submitted Indicate with an X
❖ Bidders Company Profile.		
❖ Technical responses, supporting documents for technical evaluation.		
❖ The bidder must specify the delivery timeframe on the bid document.		
❖ Terms of references (all pages initialed)		
<b>(FINANCIAL PROPOSAL) – ENVELOPE 2</b>		
<b>Original proposal and a disk containing an electronic copy on a USB.</b>		
<b>Schedule 7</b> Financial proposal	Submitted Indicate with an X	Not Submitted Indicate with an X
❖ Completed SBD 3.3 Pricing Schedule including proposed <b>total cost of the project.</b>		
❖ Completed pricing schedule (Annexure A)		

**12. DISCLAIMER**

SANAS reserves the right not to appoint a service provider. SANAS reserves the right to:

- Award the contract or any part thereof to one or more service providers.
- Reject all bids.
- Decline to consider any bids that do not conform to any aspect of the bidding process.
- Request further information from any service provider after the closing date, for clarity purposes.
- Cancel this bid or any part thereof at any time.

**13. ENQUIRIES**

All communication and attempts to solicit information of any kind relative to this Request for Bid (RFB) should be channeled in writing to:

**Name:** Zanele Ngwenya

**Telephone Number: Office:** 012 740 8535/012 740 8543

**Email address:** [ZaneleN@sanas.co.za](mailto:ZaneleN@sanas.co.za) or [KatlegoM@sanas.co.za](mailto:KatlegoM@sanas.co.za)

I, the undersigned (full name)

.....

Certify that over and above the table above, the information provided is true and correct, and understood the above document in full.

-----

**SIGNATURE**

-----

**Date**

Name of Bidder.....

SBD 1

**PART A  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	<b>SANAS/EXTAUD/2022-23/04</b>	CLOSING DATE:	29 July 2022	CLOSING TIME:	<b>11H00</b>
DESCRIPTION	APPOINTMENT OF A SUITABLY PROFESSIONAL BIDDER FOR PROVISION OF EXTERNAL AUDIT SERVICES S FOR A PERIOD OF THREE (3) YEARS.				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE  
BID BOX SITUATED AT (STREET ADDRESS)

<b>LIBERTAS OFFICE PARK</b>
<b>305 Highway Street, Cnr Libertas and Highway Streets</b>
<b>Equestria</b>
<b>0184</b>

<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
	TCS PIN:		<b>OR</b>	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes	B-BBEE STATUS LEVEL SWORN AFFIDAVIT		<input type="checkbox"/> Yes	<input type="checkbox"/> No
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?					
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX	<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)			
	<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)			
	<input type="checkbox"/>	A REGISTERED AUDITOR			
		NAME:			

**[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs& QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]**

<b>1 ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ENCLOSE PROOF]	<b>2 ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ANSWER PART B:3 BELOW ]
<b>3 SIGNATURE OF BIDDER</b>	.....	<b>4 DATE</b>	
<b>5 CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)</b>			
<b>6 TOTAL NUMBER OF ITEMS OFFERED</b>		<b>7 TOTAL BID PRICE (ALL INCLUSIVE)</b>	
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>		<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>	
DEPARTMENT/ PUBLIC ENTITY	PROCUREMENT	CONTACT PERSON	ZANELE NGWENYA
CONTACT PERSON	ZANELE NGWENYA	TELEPHONE NUMBER	012 740 8535
TELEPHONE NUMBER	012 740 8535	FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	zanelen@sanas.co.za

**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 ONLINE**
- 1.3. **BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.**
- 1.4. **WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.**
- 1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.

**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 VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

**3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

- 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  
 YES       NO
- 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA?  
 YES       NO
- 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  
 YES       NO

3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA?

YES       NO

IF THE ANSWER IS “NO” TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

**ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:**

**Company:** SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM  
**Contact Person:** Zanele Ngwenya  
**Tel:** (012) 740 8535  
**E-mail address:** [zanelen@sanas.co.za](mailto:zanelen@sanas.co.za)

**OR**

**Contact Person:** Katlego Motsepe  
**Tel:** (012) 740 8543  
**E-mail address:** [KatlegoM@sanas.co.za](mailto:KatlegoM@sanas.co.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 interest<sup>1</sup> 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

---

<sup>1</sup> 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.

2.2 Do you, or any person connected with the bidder, have a relationship 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 consortium<sup>2</sup> 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 institution in relation to this procurement process prior to

---

<sup>2</sup> 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.

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 2017**

**3.1.1.1**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to all bids:

- 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

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	<b>80</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	<b>20</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

**2. DEFINITIONS**

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

**SBD 6.1**

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017**

**3.1.1.1**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to all bids:

- 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

a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	<b>80</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	<b>20</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any

time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

## 2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a Bidder to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
  - 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

## 3. POINTS AWARDED FOR PRICE

### 3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

#### 80/20

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

Where  
 $P_s$  = Points scored for price of bid under consideration  
 $P_t$  = Price of bid under consideration  
 $P_{min}$  = Price of lowest acceptable bid

**4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR**

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

<b>B-BBEE Status Level of Contributor</b>	<b>Number of points (80/20 system)</b>
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

**5. BID DECLARATION**

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

**6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

6.1 B-BBEE Status Level of Contributor: . = ..... (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**7. SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES		NO	
-----	--	----	--

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

**(Tick applicable box)**

YES		NO	
-----	--	----	--

i) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations 2017:

<b>Designated Group: An EME or QSE which is at last 51% owned by:</b>	<b>EME</b>	<b>QSE</b>
	√	√
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

**8. DECLARATION WITH REGARD TO COMPANY/FIRM**

Name of company/firm:.....

VAT registration number:.....

Company registration number:.....

**8.1 TYPE OF COMPANY/ FIRM**

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[Tick applicable box]

**8.2 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....

.....

.....  
.....

8.3 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[Tick applicable box]

8.4 Total number of years the company/firm has been in business:.....

8.5 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

WITNESSES

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....

**CONTRACT FORM - RENDERING OF SERVICES**

**THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.**

**PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)**

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid.
  
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Filled in task directive/proposal;
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
  
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.

4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

<b>WITNESSES</b>	
1	.....
2.	.....
DATE: .....	

**CONTRACT FORM - RENDERING OF SERVICES**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity as..... accept your bid under reference number .....dated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	B-BBEE STATUS LEVEL OF CONTRIBUTION	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorised to sign this contract.

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

WITNESSES

1. ....

2. ....

DATE .....

## General Conditions of Contract

### 1. Definitions

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

sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

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

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

**7. Performance security**

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

**8. Inspections, tests and analyses**

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

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

**9. Packing**

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

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

**10. Delivery and documents**

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

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

**11. Insurance**

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

**12. Transportation**

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

**13. Incidental services**

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

#### **14. Spare parts**

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

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

#### **15. Warranty**

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

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

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any

person associated with the supplier; the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

**24. Anti-dumping and  
countervailing  
duties and rights**

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

**25. Force Majeure**

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
  - (b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of liability**

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

**29. Governing language**

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

**30. Applicable law**

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

**31. Notices**

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

**32. Taxes and duties**

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

**33. National Industrial Participation (NIP) Programme**

**34 Prohibition of Restrictive practices**

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.

34.1 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.

3.4.3 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.

**PRICING SCHEDULE**  
(Professional Services)

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

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)	
1.	The accompanying information must be used for the formulation of proposals.		
2.	Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.	R.....	
3.	PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)		
4.	PERSON AND POSITION	HOURLY RATE	DAILY RATE
	.....	R.....	.....
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.....
		TOTAL: R.....	

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

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. ....  
.....  
.....  
.....

**PLEASE ALSO COMPLETE ANNEXURE A**

Any enquiries regarding bidding procedures may be directed to the –  
 SANAS, Libertas Office Park,  
 305 Highway Street (Cnr Libertas and Highway Streets),  
 Equestria, 0184  
**Tel:** 012 740 8535  
**Email:** [zanelen@sanas.co.za](mailto:zanelen@sanas.co.za)

# Annexure A

## PRICING SCHEDULE

It is understood that internal audits are based on hourly rates and that budgets are compiled once the appointed auditor has assessed the likely extent of the work.

Final award will be made based on the rates charged and the rates will be applied to the approved Internal Audit plan that is done on an annual basis by the Audit and risk committee subject to the annual available budget.

No	Description	Estimated hours	Rate per hour Vat Inclusive (this includes all aspects related to the Audit)	Total Estimated cost Vat Inclusive ((this includes all aspects related to the Audit)
1	External Audit Year 1	240		
2	External Audit Year 2	240		
3	External Audit Year 3	240		
Total Estimated cost for 3 years Vat Inclusive (please note that the estimated hours will be used for evaluation purposes only)				